

Manitoba Agriculture,
Food and Rural Initiatives

Agriculture, Alimentation
et Initiatives rurales Manitoba

Annual Report
2007-2008

Rapport annuel
2007-2008

Manitoba 



Minister of Agriculture, Food
and Rural Initiatives

Room 165
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

His Honour the Honourable John Harvard, P.C., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour, the Annual Report of Manitoba Agriculture, Food and Rural Initiatives for the year ended March 31, 2008.

Respectfully submitted,

Honourable Rosann Wowchuk
Minister of Agriculture, Food and Rural Initiatives





**Minister of Agriculture, Food
and Rural Initiatives**

Room 165
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

Son Honneur l'honorable John Harvard, C.P., O.M.
Lieutenant-gouverneur du Manitoba
Palais législatif, bureau 235
Winnipeg (Manitoba) R3C 0V8

Monsieur le Lieutenant-gouverneur,

J'ai le privilège de présenter à Votre Honneur, à titre de documentation, le rapport annuel du ministère de l'Agriculture, de l'Alimentation et des Initiatives rurales du Manitoba pour l'exercice terminé le 31 mars 2008.

C'est avec respect, Monsieur le Lieutenant-gouverneur, que je vous sou mets le présent document.

La ministre de l'Agriculture, de l'Alimentation
et des Initiatives rurales

Rosann Wowchuk





**Agriculture, Food
and Rural Initiatives**

Deputy Minister

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Honourable Rosann Wowchuk

Minister of Agriculture, Food and Rural Initiatives

Province of Manitoba

Madam,

I am pleased to present the annual report for the Manitoba Department of Agriculture, Food and Rural Initiatives for the year ending March 31, 2008.

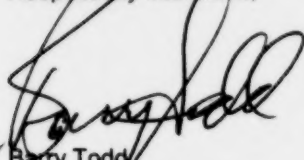
The Department has continued to fulfill its mandate of supporting and enhancing the province's agriculture industry and our rural communities with a variety of new and responsive initiatives, while also building on the success of existing programs. For example, to assist farmers to increase their profitability, we worked with the federal government to revise our suite of business risk management programs, highlighted by the AgriInvest and AgriStability programs. We also provided new support to our depressed livestock sector which faced unprecedented financial pressures due to high feed prices and low market prices.

To support our rural communities, our 11 specialized Growing Opportunities teams tailored programs and helped stakeholders pursue opportunities based on local needs. They worked with individual clients in developing business projects that will support local economies, as well as with communities to assess their development and economic needs. To assist entrepreneurs and food processors in their efforts to process and add value to Manitoba agricultural commodities, we continued to offer the world-class services of our Food Development Centre, as well as one-on-one business counselling and a new series of value chain initiatives.

To help producers in their efforts to preserve and enhance the environment we continue to offer environmental farm planning and funding for best management practices that arise from these plans. These plans now encompass one-half of Manitoba farm land. We are also supporting health and wellness across Manitoba through initiatives such as food safety training for food processors, funding for food safety system implementation, the development of enhanced animal disease detection and surveillance systems, and support for the Northern Healthy Foods Initiative.

We also continue our work with the federal government and our provincial and territorial partners to develop the Growing Forward agreement which will contain policy, funding and programs that will shape the future of the agriculture industry.

Respectfully submitted,



Barry Todd
Deputy Minister





**Agriculture, Food
and Rural Initiatives**

Sous-ministre
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Madame Rosann Wowchuk
Ministre de l'Agriculture, de l'Alimentation et des Initiatives rurales
Province du Manitoba

Madame la Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère de l'Agriculture, de l'Alimentation et des Initiatives rurales du Manitoba pour l'exercice terminé le 31 mars 2008.

Le ministère a continué de remplir son mandat, à savoir appuyer et améliorer l'industrie agricole et les communautés rurales de la province grâce à diverses initiatives nouvelles et adaptées aux besoins, tout en tirant profit du succès des programmes actuels. Par exemple, afin d'aider les agriculteurs à accroître leur rentabilité, nous avons collaboré avec le gouvernement fédéral pour modifier notre gamme de programmes de gestion du risque d'entreprise, dont les plus importants sont les programmes Agri-investissement et Agri-stabilité. Nous avons également apporté un nouveau soutien à notre industrie des productions animales affaiblie, qui a dû faire face à des pressions financières sans précédent, à cause du prix élevé des aliments pour animaux et des faibles prix du marché.

Pour appuyer nos communautés rurales, les membres des onze équipes Profitons des possibilités de croissance de la province ont adapté des programmes et aidé les intervenants à profiter des occasions en fonction des besoins locaux. Ils ont travaillé de concert avec des clients individuels afin d'élaborer des projets d'entreprise susceptibles de stimuler l'économie locale, ainsi qu'avec des collectivités en vue d'évaluer leurs besoins économiques et de développement. Pour aider les entrepreneurs et les établissements de transformation alimentaire dans leurs efforts pour transformer les produits agricoles manitobains et en accroître la valeur, nous avons continué d'offrir des services de classe internationale au Centre de développement de produits alimentaires, ainsi qu'un service personnalisé de conseils aux entreprises et une nouvelle série d'initiatives relatives à la chaîne de valeur.

Afin de soutenir les efforts déployés par les producteurs pour préserver et améliorer l'environnement, nous continuons à offrir un programme de planification environnementale à la ferme et un financement pour appliquer les pratiques exemplaires de gestion découlant de ces plans. Ces plans englobent maintenant la moitié des terres agricoles du Manitoba. Nous favorisons également la santé et le mieux-être partout au Manitoba au moyen d'initiatives, telles la formation en matière de salubrité des aliments pour les fabricants de produits alimentaires, une aide financière pour la mise en place de systèmes de salubrité alimentaire, l'élaboration de systèmes améliorés pour la détection et la surveillance des maladies animales et le soutien de l'Initiative d'alimentation saine dans le Nord.

Nous poursuivons aussi notre collaboration avec le gouvernement fédéral et nos partenaires provinciaux et territoriaux en vue de l'établissement de l'entente *Cultivons l'avenir*, qui comprendra des politiques, du financement et des programmes permettant de façonner l'avenir de l'industrie agricole.

C'est avec respect, Madame la Ministre, que je vous sou mets
le présent document.

Le sous-ministre,
Barry Todd



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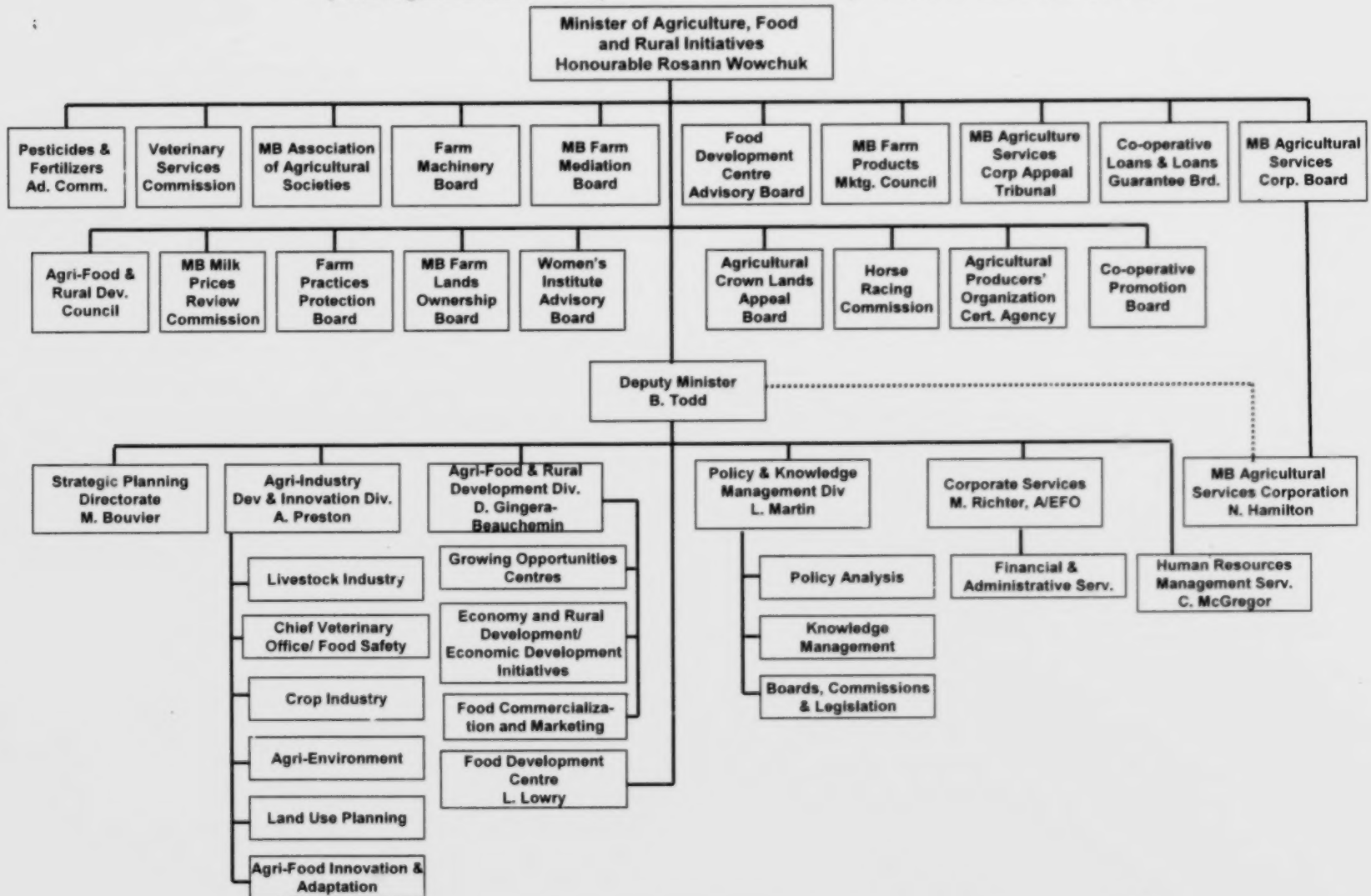
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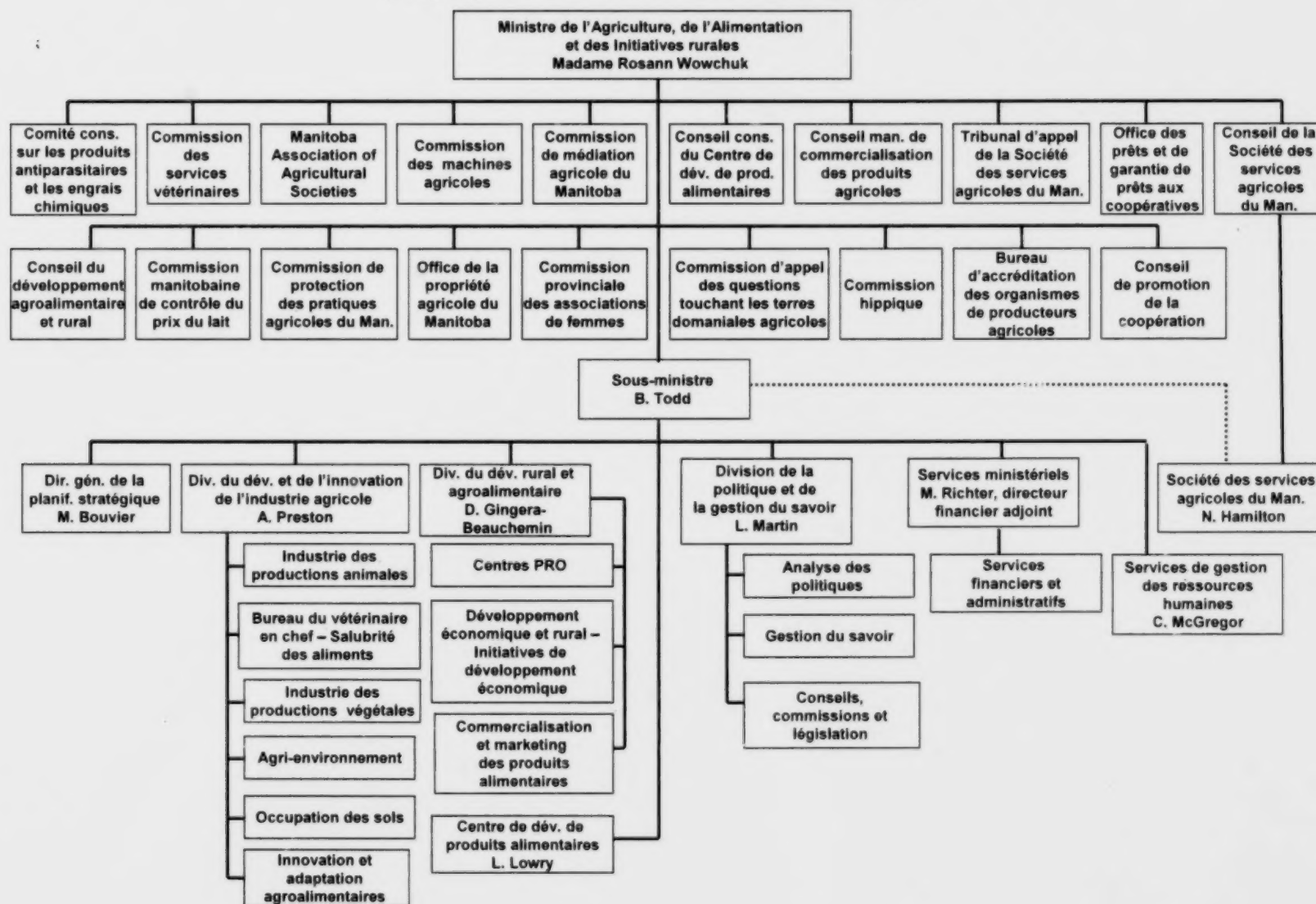
Organization Chart of Manitoba Agriculture, Food and Rural Initiatives

(This organization chart depicts the status of the department as at March 31, 2008)



Organigramme d'Agriculture, Alimentation et Initiatives rurales Manitoba

(L'organigramme décrit l'état du ministère au 31 mars 2008)



MANITOBA AGRICULTURE, FOOD AND RURAL INITIATIVES

Executive

Honourable Rosann Wowchuk, Minister

B. Todd, Deputy Minister

A. Preston, Assistant Deputy Minister
Agri-Industry Development and Innovation Division

D. Gingera-Beauchemin, Assistant Deputy Minister
Agri-Food and Rural Development Division

L. Martin, Assistant Deputy Minister
Policy and Knowledge Management Division

M. Richter, A/Executive Financial Officer

M. Bouvier, A/Executive Director
Strategic Planning Directorate

N. Hamilton, President and Chief Executive Officer
Manitoba Agricultural Services Corporation

L. Lowry, General Manager and Chief Operating Officer
Food Development Centre

AGRICULTURE, ALIMENTATION ET INITIATIVES RURALES MANITOBA

Haute direction

Madame Rosann Wowchuk, ministre

B. Todd, sous-ministre

A. Preston, sous-ministre adjoint

Division du développement agricole et de la commercialisation

D. Gingera-Beauchemin, sous-ministre adjointe

Division du développement rural et agroalimentaire

L. Martin, sous-ministre adjoint

Division de la politique et de la gestion du savoir

M. Richter, directeur financier par intérim

M. Bouvier, directeur exécutif par intérim

Direction générale de la planification stratégique

N. Hamilton, président-directeur général

Société des services agricoles du Manitoba

L. Lowry, directrice générale et chef des opérations

Centre de développement des produits alimentaires

PREFACE

Purpose and Organization of the Annual Report

This report was prepared by Manitoba Agriculture, Food and Rural Initiatives (MAFRI) to summarize the activities and accomplishments of the department during the 2007/08 fiscal year. The report is divided into two major sections:

- **Section One** includes Part A – Program and Financial Information organized in accordance with the departmental appropriation structure, and Part B – Capital Investment.
- **Section Two** contains all appendices such as summary financial tables, Ministerial statutory responsibilities, performance indicators, information on *The Public Interest Disclosure (Whistleblower Protection) Act* and sustainable development activities.

This report is presented according to the financial organization of the department, and is not necessarily organized according to programs and services.

Mission

The department's mission statement describes a commitment to strengthen the rural and northern Manitoban economies and improve the quality of life of its citizens. The mission statement also provides the means used by the department to achieve its objectives.

MAFRI works with agriculture producers, other entrepreneurs, and rural and northern communities to accelerate their greater prosperity and capacity. We do this by providing leadership and a range of information, programs and services in support of vibrant rural and northern communities.

Manitoba Agriculture, Food and Rural Initiatives plays an important role in supporting the overall provincial strategic priorities of building our economy and communities; promoting healthy living; promoting a cleaner, healthier environment; developing our clean energy advantage; and keeping Manitoba affordable.

Our Vision

The department's vision provides an overview of a desired and achievable state of the province's agriculture and food industries as well as rural and northern communities. The vision stated below declares what this department is striving to achieve while working with our farming, industry and community partners.

Through agricultural, food and non-agricultural development, rural and northern Manitobans have transformed Manitoba's economy by:

- *seizing leading-edge business opportunities to capitalize on available natural resources and advantages in a sustainable manner;*
- *working together to build communities that can imagine and act upon future opportunities; and*
- *driving future development based on understanding and utilization of market intelligence.*

Agriculture is a leading solution provider to this transformation, providing:

- *profitable primary agriculture;*
- *increased economic activity and investment to sustain and grow rural communities;*

- opportunities to add value to Manitoba-produced commodities for food, animal feed, bio-energy, biofibre and other uses;
- products, such as nutraceuticals, functional foods and pharmaceuticals, to increase the health and wellness of Manitobans and the world; and
- solutions to enhancing environmental sustainability in Manitoba.

Philosophy and Values

The department's philosophy and values reflect a fundamental commitment to the present and future prosperity of the agriculture and food sectors and rural and northern communities.

We believe in rural and northern Manitoba – its agricultural producers, businesses, communities and youth.

The people of rural and northern Manitoba are the key drivers in creating a prosperous future for their communities and for the province as a whole. Rural and northern Manitobans are capable and innovative and will make it happen.

Family farms form the backbone of Manitoba's agri-food industry.

The present and future strength of our agri-food industry is centred on family farms. These farms provide much more than the value of the products they produce; they underpin the value-added processing sector and are key contributors to local economic and community vibrancy.

We promote community-centred development.

Strong communities are created by the efforts of many. We strive to support these efforts and empower communities and individuals to lead local economic development.

Profitable agricultural production is a foundation for rural communities.

Profitable farms are significant contributors to both the economic and social well-being of rural communities, providing wealth creation, jobs and inputs into value-added activities.

Agriculture, food and rural and northern economic development are key parts of Manitoba's present and future economic prosperity.

Rural and northern Manitoba are significant contributors to the economic well-being of Manitoba. Society is looking for solutions to achieve environmental sustainability, create renewable energy and improve the health of its populations, among many other objectives. Rural and northern entrepreneurs are providing those solutions.

We are proactive, action-oriented and innovative in seeking our vision.

Staff of the department share a commitment to create vibrant rural communities. Our skills and drive create meaningful and lasting results.

We accomplish more through partnerships and consultation with producers, industry and communities.

The department is committed to working with industry stakeholders, community leaders and entrepreneurs to gain knowledge and insight in the development of programming and services that will support the agri-food industry and rural and northern development.

We provide unbiased technical advice.

The department is proud of the skill level and professionalism of our employees. As we work with clients, we draw upon this high level of skill and professionalism to ensure that the advice given to clients is sound and beneficial.

We are fiscally responsible.

We are entrusted with managing funds and other resources contributed by the public we serve. At all levels, we are committed to ensuring that we make the most effective and efficient use of the public resources entrusted to our care.

Strategic Priorities

Manitoba Agriculture, Food and Rural Initiatives has a broad mandate to serve the agri-food industry and rural and northern communities. Within that mandate, the department has articulated five strategic priorities that focus the department's efforts.

Farm Profitability

We seek to increase the profitability of Manitoba farms through diversification, capturing higher value from traditional and new crops, controlling production costs and managing risk. We also strive to support the renewal of the agricultural sector through the promotion of opportunities to Aboriginal populations, immigrants and young Manitobans.

Value Added

Adding value to the outputs of primary agricultural production and the abundant natural resources possessed by rural and northern Manitobans builds wealth and creates employment. The department focuses its support to entrepreneurs to create food and non-food products including functional foods and nutraceuticals, sustainable agricultural products and many others that meet the needs of the consumer.

Rural Economic Development

Community leadership and citizen involvement are key in community economic development planning and implementation. We support individuals and communities in building the capacity to identify and act on opportunities. Equally important is the development of a culture of entrepreneurship. We support this capacity through training, business programs and the promotion of the co-operative model.

Environmental Sustainability

Society is demanding that agriculture and other businesses operate in an environmentally responsible and sustainable manner. We support the agri-food sector in improving its sustainability practices, developing climate change adaptation and mitigation strategies and protecting Manitoba's water.

Health and Wellness

Health and wellness is a broad priority area for the department. We support the promotion of Manitoba-produced healthy foods; the development of the linkages between food and health; the strengthening of the food safety system; the protection of human health from zoonotic diseases; the protection of animal health from serious diseases; and the welfare of domestic animals.

Performance Indicators

Performance indicators in departmental annual reports are intended to provide Manitobans with meaningful and useful information about the outcomes of government's activities along with financial results. Some measures incorporate data collected by the provincial government, while others show data that is collected by external agencies.

The department made significant advances in identifying and implementing performance indicators in the 2007/08 fiscal year. The department currently tracks six indicators in support of the five priorities identified in the strategic plan. Further work is being completed on performance indicators at the knowledge centre and GO team level which will illustrate the outcomes achieved through their efforts.

For MAFRI's Performance Indicators refer to Appendix I.

Your comments on performance measures are valuable to us. You can send comments or questions to mbperformance@gov.mb.ca.

Motivating Employee Performance and Development

Manitoba Agriculture, Food and Rural Initiatives is committed to the development and well-being of our employees. In 2007/08, the department implemented a work-life balance policy that recognizes the balance between work and life that needs to be maintained to recruit and retain qualified and motivated employees. The department also continuously invests in strengthening the skills of employees through formal training opportunities, assignments and other related means.

We also believe in recognizing the efforts of employees. A formal peer recognition program forms the basis of the strategy. Under the program, individuals, or teams of employees, are recognized and rewarded for their achievements. The *Working Together for Success* program annually invites employees to nominate fellow employees for special recognition and celebration. Department staff members on the steering committee develop the award criteria, choose the number and types of awards, and vote on the recipients.

The department uses these strategies, as well as other measures, to motivate staff, boost morale and enhance services for our clients.

Internet Site

The department's annual report and details on its many programs and services can be found on Manitoba Agriculture, Food and Rural Initiatives' Internet site; www.gov.mb.ca/agriculture. A French language version of the 2007/08 Annual Report is included on this website.

PRÉFACE

But et organisation du rapport annuel

Le présent rapport a été préparé par le ministère de l'Agriculture, de l'Alimentation et des Initiatives rurales du Manitoba (le « Ministère ») et il résume les activités et les réalisations du Ministère au cours de l'exercice financier 2007-2008. Le rapport comprend deux sections principales :

- La **section un** comprend la partie A, qui traite des renseignements sur les programmes et les finances, conformément à la structure des crédits du Ministère, et la partie B, qui porte sur l'investissement de capitaux.
- La **section deux** contient toutes les annexes, y compris les états financiers récapitulatifs, les responsabilités législatives du Ministère, les indicateurs de rendement, des renseignements sur la *Loi sur les divulgations faites dans l'intérêt public (protection des divulgateurs d'actes répréhensibles)* et les activités de développement durable.

Le présent rapport est présenté en fonction de l'organisation financière du Ministère et non nécessairement en fonction de ses programmes et services.

Mission

L'énoncé de mission du Ministère indique un engagement à renforcer les économies rurales et du Nord du Manitoba et à améliorer la qualité de vie des citoyens de ces régions. L'énoncé de mission présente aussi les moyens utilisés par le Ministère pour atteindre ses objectifs.

Le Ministère collabore avec les producteurs agricoles, d'autres entrepreneurs, et les collectivités rurales et du Nord en vue d'accélérer la croissance de leur prospérité et de leur capacité. Le Ministère concrétise sa mission en fournissant un leadership et une gamme de renseignements, de programmes et de services qui soutiennent le dynamisme des collectivités rurales et du Nord.

Le Ministère joue un rôle important dans le soutien des priorités stratégiques globales du gouvernement provincial en matière de développement de l'économie et des collectivités, de promotion de la vie saine et d'un environnement plus propre et sain, de mise en valeur de notre avantage en matière d'énergie propre et de maintien du caractère abordable de la vie au Manitoba.

Notre vision

L'énoncé de vision du Ministère offre un aperçu de l'état souhaité et atteignable de l'industrie agroalimentaire de la province, ainsi que des collectivités rurales et du Nord. La vision indiquée ci-dessous présente les objectifs que s'efforce d'atteindre le Ministère en collaboration avec ses partenaires des milieux agricoles, industriels et communautaires.

Grâce au développement agricole, alimentaire et non agricole, les résidents du Manitoba rural et du nord de la province transforment l'économie du Manitoba comme suit :

- *en tirant parti des possibilités d'affaires d'avant-garde afin de profiter d'une manière viable des ressources naturelles et des avantages disponibles;*
- *en collaborant en vue de bâtir des collectivités qui peuvent imaginer les possibilités futures et en profiter;*
- *en orientant le développement futur en fonction de la compréhension et de l'utilisation de l'information commerciale.*

L'agriculture est un chef de file de l'élaboration de solutions pour une telle transformation en offrant ce qui suit :

- *un secteur agricole primaire rentable;*
- *un accroissement de l'activité économique et des investissements afin d'assurer la viabilité et la croissance des collectivités rurales;*

- des possibilités d'ajouter de la valeur aux denrées manitobaines produites à des fins alimentaires humaines et animales, bio-énergétiques, textiles biologiques et autres;
- des produits tels que les nutraceutiques, les aliments fonctionnels et les produits pharmaceutiques, en vue d'accroître la santé et le mieux-être des Manitobains et du monde entier;
- des solutions qui visent à rehausser la durabilité de l'environnement au Manitoba.

Philosophie et valeurs

La philosophie et les valeurs du Ministère reposent sur un engagement fondamental en faveur de la prospérité présente et future du secteur agricole et agroalimentaire et des collectivités rurales et du Nord.

Nous croyons dans le Manitoba rural et du Nord — ses producteurs agricoles, ses entreprises, ses collectivités et sa jeunesse.

Les résidents des régions rurales et du Nord sont les éléments clés de la création d'un avenir prospère pour leurs collectivités et pour l'ensemble de la province. Les Manitobains ruraux et du Nord sont habiles et innovateurs et ils atteindront cet objectif.

Les exploitations agricoles familiales sont l'épine dorsale de l'industrie agroalimentaire du Manitoba.

La force présente et future de notre industrie agroalimentaire repose sur les exploitations agricoles familiales. Ces exploitations offrent beaucoup plus que la valeur de leurs produits; elles soutiennent le secteur de la transformation à valeur ajoutée et contribuent de manière importante au dynamisme des collectivités et de l'économie locales.

Nous favorisons le développement communautaire.

La création de collectivités fortes exige les efforts de nombreuses personnes. Nous visons à soutenir ces efforts et à habiliter les collectivités et les particuliers à diriger le développement économique local.

Une production agricole rentable est une assise pour les collectivités rurales.

Des exploitations agricoles rentables fournissent une contribution importante au bien-être économique et social des collectivités rurales en offrant des possibilités de création de richesse et d'emplois et des possibilités d'apport à des activités à valeur ajoutée.

Le développement économique du secteur agricole et alimentaire et des collectivités rurales et du Nord est un élément clé de la prospérité économique présente et future du Manitoba.

Les régions rurales et du Nord fournissent une contribution importante au bien-être économique du Manitoba. La société est à la recherche de solutions, entre autres, pour assurer la durabilité de l'environnement, créer de l'énergie renouvelable et améliorer la santé de la population. Les entrepreneurs ruraux et du Nord proposent de telles solutions.

Nous sommes proactifs, axés sur l'action et innovateurs dans la poursuite de notre vision.

Le personnel du Ministère affiche un engagement en faveur de la création de collectivités rurales dynamiques. Nos compétences et notre dynamisme produisent des résultats fructueux et durables.

Nous accroissons la portée de nos actions grâce à des partenariats et à des consultations avec les producteurs, l'industrie et les collectivités.

Le Ministère s'est engagé à collaborer avec les intervenants du secteur, les chefs de file communautaires et les entrepreneurs afin de mieux connaître et comprendre l'élaboration de programmes et de services qui soutiendront l'industrie agroalimentaire et le développement rural et du Nord.

Nous offrons des conseils techniques exempts de parti pris.

Le Ministère est fier du niveau de compétence et du professionnalisme de ses employés. Lorsque nous travaillons avec des clients, nous tirons parti d'un niveau élevé de compétence et de professionnalisme pour veiller à ce que les conseils données aux clients soient judicieux et avantageux.

Nous sommes responsables sur le plan financier.

Nous sommes chargés de la gestion de fonds et de ressources contribués par le public que nous desservons. À tous les niveaux, nous sommes déterminés à maximiser l'efficacité des ressources publiques qui nous ont été confiées.

Priorités stratégiques

Le mandat général du Ministère consiste à desservir l'industrie agroalimentaire et les collectivités rurales et du Nord. Dans le cadre de ce mandat, le Ministère a mis de l'avant cinq priorités stratégiques qui orientent ses efforts.

Rentabilité des exploitations agricoles

Nous cherchons à accroître la rentabilité des exploitations agricoles manitobaines par la diversification, en augmentant la valeur des cultures traditionnelles et nouvelles, en contrôlant les coûts de production et en gérant les risques. Nous nous efforçons aussi de soutenir le renouvellement du secteur agricole en faisant la promotion des possibilités auprès des populations autochtones, des immigrants et des jeunes Manitobains.

Valeur ajoutée

L'ajout de valeur aux extrants de la production agricole primaire et aux abondantes ressources naturelles que possèdent les régions rurales et du Nord permet d'accumuler de la richesse et de créer des emplois. Le Ministère concentre son soutien sur les entrepreneurs afin qu'ils créent des produits alimentaires et non alimentaires tels que des aliments fonctionnels et des nutraceutiques, des produits agricoles durables et bon nombre d'autres produits qui répondent aux besoins des consommateurs.

Développement économique rural

Le leadership communautaire et les participation des citoyens jouent un rôle clé dans la planification et la mise en oeuvre du développement économique communautaire. Nous soutenons les particuliers et les collectivités dans le renforcement de la capacité de définition des possibilités et de la capacité d'agir en fonction de ces dernières. Le développement d'une culture d'entrepreneuriat est également important. Nous soutenons un tel développement en mettant de l'avant des programmes de formation et de gestion et en faisant la promotion du modèle coopératif.

Durabilité de l'environnement

La société demande que l'agriculture et d'autres secteurs industriels pratiquent leurs activités d'une manière viable et respectueuse de l'environnement. Nous soutenons le secteur agroalimentaire dans l'amélioration de ses pratiques de viabilité, dans l'élaboration de stratégies d'adaptation au changement climatique et d'atténuation de celui-ci et dans la protection des eaux au Manitoba.

Santé et mieux-être

La santé et le mieux-être est un secteur prioritaire général du Ministère. Nous soutenons la promotion des aliments sains produits au Manitoba, le développement des liens entre l'alimentation et la santé, le renforcement du système d'assurance de la salubrité des

aliments, la protection de la santé humaine contre les zoonoses, la protection de la santé animale contre les maladies graves et le bien-être des animaux domestiques.

Indicateurs de rendement

Les indicateurs de rendement publiés dans les rapports annuels des ministères visent à fournir aux Manitobains des renseignements significatifs et utiles sur les activités du gouvernement, en complément aux résultats financiers. Certaines mesures intègrent des données recueillies par le gouvernement provincial, tandis que d'autres présentent des données collectées par des organismes extérieurs au gouvernement.

Le Ministère a fait des progrès importants dans la définition et l'application d'indicateurs de rendement au cours de l'exercice 2007-2008. Le Ministère assure le suivi de six indicateurs généraux en soutien aux cinq priorités indiquées dans le plan stratégique. Les Centres de compétence et les équipes PRO poursuivent le travail sur les indicateurs de rendement en vue d'illustrer les résultats obtenus grâce à leurs efforts.

On trouvera les indicateurs de rendement du Ministère à l'annexe I.

Vos commentaires sur les mesures de rendement nous intéressent. Veuillez faire parvenir vos commentaires ou vos questions à mbperformance@gov.mb.ca.

Stimuler le rendement et le perfectionnement des employés

Le Ministère s'est engagé en faveur du perfectionnement et du bien-être de ses employés. En 2007-2008, le Ministère a adopté une politique de conciliation travail-vie qui reconnaît l'équilibre qu'il faut maintenir entre le travail et la vie personnelle afin de recruter et de conserver des employés qualifiés et motivés. De plus, le Ministère investit continuellement dans le renforcement des compétences des employés par le biais de possibilités de formation structurée, d'affectations et d'autres moyens connexes.

Nous croyons aussi à la reconnaissance des efforts des employés. Un programme officiel de reconnaissance par les pairs est à la base de notre stratégie. Aux termes du programme, les particuliers ou des équipes d'employés sont reconnus et récompensés pour leurs résultats. Le programme *Working Together for Success* invite chaque année les membres du personnel du Ministère à proposer des collègues auxquels on pourrait rendre honneur. Les employés du Ministère qui font partie du comité de direction du programme élaborent les critères de récompense, décident du nombre et des types de prix et élisent les gagnants.

Le Ministère s'appuie sur de telles stratégies, ainsi que sur d'autres mesures, pour motiver son personnel et en rehausser le moral afin d'améliorer les services offerts à ses clients.

Site Web

On peut trouver le rapport annuel du Ministère sur le site Web d'Agriculture, Alimentation et Initiatives rurales Manitoba (www.gov.mb.ca/agriculture). La version anglaise du rapport annuel pour l'exercice 2007-2008 se trouve également sur le site Web.

2007/08 Highlights

Since the implementation of Growing Opportunities (GO) in 2005, several program priorities have been added or enhanced using new and existing resources. These programs are directly related to Manitoba Agriculture, Food and Rural Initiatives' priorities of farm profitability, value-added, rural economic development, environmental sustainability and health and wellness.

- The department increased its efforts to assist Manitoba producers' farm profitability by:
 - enhancing front-line delivery of technical primary production support, leadership, specialized services and information to farmers;
 - providing technical and specialized services to producers to support irrigated crop production;
 - increasing the school tax reduction on farm land to 65 per cent;
 - managing 2,600 forage and cropping leases on 1.59 million acres of agricultural Crown land;
 - working with the federal government to make business risk management programming more responsive to producers;
 - establishing a new forage fed beef initiative and the Manitoba Grass Fed Beef Association to provide producers a niche market for a branded and traceable product with demonstrated health benefits;
 - providing approximately \$40 million in Targeted Advance Payments (TAP) to hog producers for the 2007 AgriStability program;
 - providing a \$14.7 million Ruminant Assistance Plan for cattle, sheep, bison, goat, elk and deer producers;
 - providing up to \$290,000 in tuberculosis (TB) testing compensation to help eradicate bovine TB and preserve export markets;
 - increasing grant funding for the University of Manitoba and the Prairie Agricultural Machinery Institute for innovative research to improve operations for producers;
 - working with Manitoba's legal counsel, as an intervener, to support the legal challenge of Canada's proposed barley regulation;
 - assisting with the formation of the Farmers' Markets Association of Manitoba (FMAM) and supporting farmers markets by encouraging Manitobans to purchase local food through brochures and website development; and
 - working with representatives from the Manitoba Chapter of the Organic Food Council (OFCM), Manitoba's chapter of Canadian Organic Growers (COG) and Organic Producers Association of Manitoba (OPAM) to create an industry-wide association to expand the production of organic crops and livestock.
- MAFRI's commitments to value-added included:
 - developing options for producers to capture value from primary products through bio-energy initiatives such as ethanol, biodiesel, and biomass production;
 - promoting the bio-economy, including areas such as biofibres, nutraceuticals, and biocomposites;
 - partnering with the Manitoba Rural Adaptation Council (MRAC) to develop the Value Chain Manitoba Initiative delivering a series of value chain awareness seminars to businesses, associations and individuals;
 - initiating industry-wide consultations to develop a Manitoba program to buy locally in efforts to support primary production and increase value-added food processing; and
 - leading the Great Manitoba Food Fight at Rural Forum, engaging 30 new food entrepreneurs in showcasing their products.
- MAFRI's commitments to rural development and economic growth included:
 - creating and expanding programs and services targeted to First Nations, entrepreneurs, women and youth;
 - establishing the Rural Initiatives Scholarships at Brandon University;
 - tailoring programming and pursuing opportunities based on local needs and priorities by working closely with Manitobans through 11 GO team advisory councils;
 - working with over 400 individual clients in developing business projects across Manitoba in a wide range of agriculture, food and rural business opportunities;
 - increasing convenience and access to MAFRI information and programming through website development and webinars, with the MAFRI site attracting over seven million page views annually, making it the most visited provincial website;

- creating a pilot project contract with the Centre for Innovative and Entrepreneurial Leadership (CIEL) to assess the business vitality of two Manitoba communities and assisting the communities in developing short-term actions that would address their highest priority business vitality issues;
- collaborating with the Direct Farm Marketing conference to introduce participants to the new Manitoba Institute of Culinary Arts at Assiniboine Community College; and
- signing a letter of intent with Infrastructure Leasing & Financial Services Limited (IL&FS) in collaboration with the Food Development Centre, Manitoba Science, Technology, Energy and Mines and Manitoba Competitiveness, Training and Trade on a joint food park development agreement, a stepping stone to increase trade with India.
- The department continued to provide environmentally sustainable solutions by:
 - encouraging and supporting 1,276 new individual environmental farm plans (EFPs) resulting in 5,408 EFPs and 8.6 million acres assessed by producers since 2005/06;
 - increasing staff and resources for the soil survey program allowed for the completion of detailed soil survey maps and a report for one rural municipality (RM), as well as the finalization of reports and digitization of maps for four more RMs;
 - increasing woodlot management with 81 projects on 8,339 acres of land;
 - working with the federal government to support ecological goods and services through best management practices (BMPs) and the Alternate Land Use Services (ALUS) pilot project; and
 - adopting effective resource management and environmentally-sustainable practices in the Covering New Ground program.
- The department continued support for health and wellness activities including:
 - supporting the Northern Healthy Foods Initiative, which assists 27 northern Manitoban communities in growing their own food;
 - training for food processors on food safety systems: good manufacturing practices (GMPs) and hazard analysis critical control points (HACCP);
 - funding to non-federally registered facilities to implement food safety systems in their facilities;
 - improving the Food Safety and Quality website by providing technical resource materials to food processors;
 - developing an enhanced animal disease detection and surveillance system that will analyze animal disease trends over space and time;
 - protecting the health of the public by minimizing the threat of zoonotic diseases;
 - protecting the safety of the food supply from farm to fork; and
 - analyzing food and nutrition supply requirements in the event of a pandemic.

MAFRI worked with federal, provincial and territorial ministers of agriculture on the Growing Forward agreement, which replaces the Agricultural Policy Framework (APF), to:

- sign the Whistler Accord in June 2007 to direct policy development of Growing Forward;
- co-ordinate and participate in several local and national consultations with key stakeholders;
- finalize and implement business risk management (BRM) programs; and
- sign a continuity agreement in March 2008 to bridge programming between the APF and Growing Forward agreements.

MAFRI supported the Farm Products Marketing Council in dealing with a breadth of issues including administration of quota transfers and allocation of over base quotas in the poultry industry; processing plant supplies; provincial allocations and premium levels; levies; amendments to orders, regulations and bylaws; and managing an increase in appeals.

Faits saillants en 2007-2008

Depuis la mise en œuvre de l'initiative Profitons des possibilités de croissance (PRO) en 2005, nous avons ajouté ou amélioré plusieurs priorités relatives aux programmes au moyen de ressources nouvelles ou existantes. Ces programmes sont directement liés aux priorités du ministère de l'Agriculture, de l'Alimentation et des Initiatives rurales du Manitoba en ce qui concerne la rentabilité des exploitations agricoles, les produits à valeur ajoutée, le développement économique rural, la durabilité de l'environnement et la santé et le mieux-être.

- Le ministère a redoublé d'efforts pour accroître la rentabilité des exploitations agricoles au Manitoba :
 - en améliorant la prestation en première ligne de soutien technique aux activités de production primaire, de leadership, de services spécialisés et de renseignements aux agriculteurs;
 - en fournissant des services techniques et spécialisés aux producteurs afin de soutenir la production de cultures irriguées;
 - en portant à 65 % la réduction de l'impôt en matière d'éducation sur les terres agricoles;
 - en gérant 2 600 baux à fourrage et de culture sur 1,59 million d'acres de terres domaniales agricoles;
 - en travaillant avec le gouvernement fédéral pour que les programmes de gestion du risque d'entreprise soit mieux adaptés aux besoins des producteurs;
 - en établissant une nouvelle initiative de production de bovins alimentés aux fourrages et la Manitoba Grass Fed Beef Association afin que les producteurs aient accès à un créneau commercial qui leur permettra de vendre un produit de marque et traçable possédant des bénéfices prouvés pour la santé;
 - en accordant environ 40 millions de dollars en avances ciblées aux producteurs de porcs dans le cadre du programme d'Agri-stabilité 2007;
 - en accordant 14,7 millions de dollars aux producteurs de bovins, de moutons, de bisons, de chèvres, de wapitis et de cerfs dans le cadre du Programme d'aide aux éleveurs de ruminants du Manitoba;
 - en allouant jusqu'à 290 000 \$ en compensation pour les tests de dépistage de la tuberculose afin d'aider à éliminer la tuberculose bovine et à préserver les marchés d'exportation;
 - en augmentant la subvention accordée à l'Université du Manitoba et à l'Institut de la machinerie agricole des Prairies pour des recherches innovatrices visant à améliorer les activités agricoles des producteurs;
 - en collaborant, en tant qu'intervenant, avec les conseillers juridiques du Manitoba afin d'appuyer la contestation judiciaire du règlement proposé par le Canada relativement à l'orge;
 - en appuyant la formation de la Farmers' Markets Association of Manitoba ainsi que les marchés fermiers et en encourageant les Manitobains et Manitobaines à acheter des produits locaux, par le truchement de brochures et du développement de sites Web;
 - en œuvrant avec des représentants de l'Organic Food Council of Manitoba, la section manitobaine de l'organisme Canadian Organic Growers Inc., et de l'Organic Producers Association of Manitoba en vue de créer une association sectorielle qui permettra d'augmenter la production de cultures et de bétail biologiques.
- L'engagement du ministère envers les produits agricoles à valeur ajoutée comprend :
 - l'élaboration d'options pour les producteurs afin qu'ils puissent tirer profit des produits primaires au moyen de projets de bioénergie, notamment la production d'éthanol, de biodiésel et de biomasse;
 - la promotion de la bioéconomie, notamment dans les domaines des biofibres, des aliments fonctionnels et des biocomposites;
 - la création d'un partenariat avec le Conseil d'adaptation rurale du Manitoba en vue de l'élaboration de l'initiative Chaîne de valeur Manitoba, et ce, en organisant une série de séminaires de sensibilisation à la chaîne de valeur à l'intention des entreprises, des associations et des particuliers;
 - l'organisation de consultations sectorielles afin d'élaborer un programme manitobain visant l'achat de produits locaux, dans le but de soutenir la production primaire et d'augmenter le secteur de la transformation alimentaire à valeur ajoutée;
 - l'organisation du concours culinaire « The Great Manitoba Food Fight » au Forum rural afin que 30 nouveaux entrepreneurs agricoles puissent présenter leurs produits.
- L'engagement du ministère envers le développement rural et la croissance économique comprend :
 - la création de programmes et de services à l'intention d'entrepreneurs, de femmes et de jeunes des Premières nations et l'expansion des programmes et des services actuels;
 - l'établissement de bourses « Rural Initiatives » à l'Université de Brandon;
 - la modification des programmes et la recherche de possibilités basées sur les besoins et les priorités locaux, en travaillant étroitement avec la population manitobaine par le truchement de 11 conseils consultatifs des équipes PRO;
 - la collaboration avec plus de 400 clients individuels en vue de l'élaboration de projets d'entreprise à l'échelle du Manitoba offrant une vaste gamme de possibilités dans les domaines de produits agricoles et alimentaires et de développement commercial dans les régions rurales;
 - le développement du site Web (le site Web du ministère est le site le plus visité du gouvernement du Manitoba, recevant plus de sept millions visiteurs par an) et l'organisation de webinaires afin d'améliorer et de faciliter l'accès aux renseignements et aux programmes d'Agriculture, Alimentation et Initiatives rurales Manitoba;
 - l'établissement d'un contrat de projet pilote avec le Centre for Innovative and Entrepreneurial Leadership afin d'évaluer la vitalité commerciale de deux collectivités manitobaines et d'aider celles-ci à mettre en

œuvre des stratégies à court terme qui répondraient à leurs besoins les plus prioritaires en matière de vitalité commerciale;

- une collaboration avec la conférence Direct Farm Marketing pour que les participants découvrent le nouveau Manitoba Institute of Culinary Arts au Collège communautaire Assiniboine;
- la signature d'une lettre d'intention avec Infrastructure Leasing & Financial Services Limited, en collaboration avec le Centre de développement de produits alimentaires, Sciences, Technologie, Énergie et Mines Manitoba et Compétitivité, Formation professionnelle et Commerce Manitoba, relativement à une entente de développement commun pour l'établissement d'un parc technologique en agroalimentaire, ce qui constituera un point de départ pour accroître le commerce avec l'Inde;
- Le ministère a continué de fournir des solutions écologiquement viables :
 - en encourageant et en appuyant 1 276 nouveaux plans agroenvironnementaux individuels, ce qui donne 5 408 plans au total et 8,6 millions d'acres évalués par des producteurs depuis 2005-2006;
 - en augmentant les effectifs et les ressources du programme de prospection des sols, ce qui a permis la réalisation de cartes détaillées de prospection des sols et d'un rapport pour une municipalité rurale, ainsi que l'établissement de rapports et la numérisation de cartes pour quatre autres municipalités rurales;
 - en accroissant la gestion des terrains boisés avec 81 projets sur 8 339 acres de terre;
 - en travaillant de concert avec le gouvernement fédéral en vue d'appuyer des biens et des services écologiques grâce à de meilleures pratiques de gestion et à un projet pilote, soit le programme de biens et de services écologiques ALUS;
 - en adoptant des pratiques de gestion des ressources efficaces et écologiquement viables dans le cadre du programme Initiative de développement durable de l'agriculture.
- Le ministère a continué d'appuyer les activités axées sur la santé et le mieux-être, notamment :
 - en appuyant l'Initiative d'alimentation saine dans le Nord, qui aide 27 collectivités manitobaines du Nord à faire pousser de la nourriture pour leurs propres besoins;
 - en offrant une formation aux fabricants de produits alimentaires portant sur les systèmes d'assurance de la salubrité des aliments, les bonnes pratiques de fabrication et l'analyse des risques et maîtrise des points critiques;
 - en accordant un financement aux établissements non enregistrés à l'échelle fédérale afin qu'ils mettent en œuvre des systèmes d'assurance de la salubrité des aliments;
 - en améliorant le site Web de la qualité et de la sécurité des aliments en fournissant du matériel de ressources techniques aux fabricants de produits alimentaires;
 - en mettant en place un système amélioré de détection et de surveillance des maladies animales qui permettra d'analyser les tendances en matière de maladies animales dans le temps et l'espace;
 - en protégeant la santé du public en minimisant le risque de zoonoses;
 - en protégeant la sécurité du système d'approvisionnement alimentaire de la ferme à l'assiette;
 - en analysant les besoins d'un système d'approvisionnement alimentaire dans l'éventualité d'une pandémie.

Le ministère de l'Agriculture, de l'Alimentation et des Initiatives rurales a travaillé de concert avec les ministres de l'agriculture fédéral, provinciaux et territoriaux sur l'entente *Cultivons l'avenir*, laquelle remplace le Cadre stratégique pour l'agriculture, en vue de :

- signer l'accord de Whistler en juin 2007, pour orienter l'élaboration de politiques de l'initiative *Cultivons l'avenir*;
- coordonner plusieurs consultations locales et nationales avec des intervenants clés, et y participer;
- achever et mettre en œuvre des programmes de gestion du risque d'entreprise;
- signer une convention de continuité en mars 2008 de manière à réconcilier le Cadre stratégique pour l'agriculture et l'entente *Cultivons l'avenir*.

Le ministère a apporté son soutien au Conseil manitobain de commercialisation des produits agricoles afin de régler diverses questions portant, entre autres, sur l'administration des transferts de quotas et l'allocation de quotas au-delà de la base au sein de l'industrie avicole; les fournitures des usines de transformation; les allocations provinciales et le niveau des primes; les redevances; les modifications aux ordres; les règlements et les arrêtés municipaux; et la gestion du nombre grandissant d'appels.

SECTION ONE
PART A
PROGRAM AND FINANCIAL
INFORMATION

Appropriation 1

Policy and Management

The Policy and Management Division provides for the executive management, strategic planning and control of departmental policies and programs. It co-ordinates long-term policy and program development for Manitoba Agriculture, Food and Rural Initiatives. The division also conducts research and analysis, provides agriculture and food statistics and industry intelligence to the department staff, industry and the general public, as well as provides knowledge management leadership, specialized advisory and central support services to the department. The Policy and Management Division provides support services and funding for the administration of various boards and commissions.

This main vote also provides resources for corporate services including financial and administrative management, accounting, comptrollership, accountability, as well as for a portion of the consolidated human resource management services sector.

Appropriation 1 (a) - Minister's Salary

This expenditure provides additional compensation to an individual appointed to the Executive Council.

1 (a) Minister's Salary

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs	Estimate 2007/2008 \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Salaries and Employee Benefits	42.1	1.00	31.0	11.1	1
Total Sub-Appropriation	42.1	1.00	31.0	11.1	

1. The over-expenditure associated with the Minister's Salary for 2007/08 is due to an in-year salary increase based on the formula established by the Pay Commissioner.

Appropriation 1 (b) – Executive Support

Executive Support is responsible for providing leadership, direction, and communication in the effective implementation of department-wide goals and priorities. A key responsibility of this organizational unit is to advise the Minister on strategic and program options in compliance with government policies. Executive staff also ensure that all department resources are allocated in accordance with government policies and priorities. The assurance of value for money and efficient and effective program delivery remained a major priority of Executive Support.

1 (b) Executive Support

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	537.6	9.00	563.7	(26.1)	
(2) Other Expenditures					
-Grants/Transfer Payments	23.0		12.9	10.1	
-Other	70.0		53.1	16.9	
Total Other Expenditures	93.0		66.0	27.0	
(3) Policy Studies	22.5		71.2	(48.7)	
Total Sub-Appropriation	653.1	9.00	700.9	(47.8)	

Appropriation 1 (c) – Strategic Planning Directorate

The Strategic Planning Directorate was created under the Growing Opportunities Initiative to focus the department's efforts to strategically identify paths that will strengthen the agriculture and agri-food sectors, as well as rural and northern communities. The directorate's specific objectives include: providing leadership and support in the development of the departmental strategic plan; fostering unit-level excellence in planning and consultations with stakeholders; supporting, monitoring, and reporting on implementation of strategic directions and policies for the department; co-coordinating the department's emergency management and business continuity plans; integrating the strategic directions of the agriculture and food sectors and rural and northern communities into the overall departmental strategy; and supporting the implementation of *The Public Interest Disclosure (Whistleblower Protection) Act* in the department.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To provide leadership in the development of the departmental vision, its strategic plan and consultations plan.

Enhanced presentation of policy options for consideration by executive government.

- Completed consumer trend project for executive and directors planning. The focus was to identify factors that will drive consumer demand and ultimately opportunities for the agriculture and food sectors, and northern community economic development.
- Developed senior manager collaboration with Manitoba Health and Healthy Living to plan joint initiatives that support the health of Manitobans and the growth of the agriculture and food sectors. This included consideration of joint policy options to address chronic disease and healthy eating.
- Supported the development of strategies to leverage resources for Growing Forward, the next generation of agricultural policy framework between the Government of Canada and provinces/territories.
- Developed the foundation for the Agri-Food and Rural Development Council, a council designed to advise the Minister on policy and programming options to support the medium and long-term development of the agriculture and food sectors, and rural and northern communities.

Objective 2:

To foster excellence in unit-level strategic planning and consultation activities.

Greater co-ordination and collaboration of departmental policies and programs internally and with the Food Development Centre and the Manitoba Agricultural Services Corporation.

- Planning exercise on climate change mitigation and adaptation that fostered interdepartmental participation and networks.
- Strengthened the planning system at the unit level to:
 - better support departmental objectives
 - capture human resource/succession planning issues
- Assisted Food Development Centre to revise its strategic plan.

Development and implementation of five specific performance measures related to departmental priorities.

- Six performance measures developed and reported on.

Enhanced reporting to executive government, the legislature and the public.

- Macro performance measures refined to better capture the priority of rural economic development.

More effective targeting of departmental human, fiscal, infrastructural and other resources.

- Developed a summary program inventory relating departmental activities to priorities and strategies.
- Directional plans address these issues at the unit level and inform the departmental planning process.

Objective 3:

To provide leadership in the identification of new prospects, frontiers and opportunities for agriculture and rural and northern communities in Manitoba.

Development of departmental policy and program strategies to pursue new opportunities in biological cropping and energy systems, farm profitability, climate change, and healthy food opportunities for consumers.

- Natural cropping – significant exposure of the topic in MAFRI, the academic community in Manitoba and beyond. Agricultural Policy Framework funding, University of Manitoba commitment and outside funding assembled to move this project significantly forward.
- Organic transition policy development, including building of partnerships with Manitoba Science, Technology, Energy and Mines (STEM) and organic certification bodies.
- Presentations to MAFRI units and outside bodies on energy availability and changing economics.

Objective 4:

To support, monitor and report on implementation of strategic directions and policies for the department.

Greater co-ordination and collaboration of departmental policies and programs internally and with the Food Development Centre and the Manitoba Agricultural Services Corporation.

- Greenhouse industry analysis and policy development – presenting options for development of the industry in Manitoba and focusing policy on risk mitigation to aid this industry's development.
- Mexico trade strategy process facilitation.

Objective 5:

To integrate the strategic directions of the rural sector and agriculture and food industries into the departmental strategy.

Renewed, effective partnerships between the department and sector and industry organizations.

- Worked with industry to plan for an avian influenza outbreak, including exercising portions of the plan.
- Developed a partnership with Manitoba Rural Adaptation Council to deliver a co-ordinated value chain development program.

Facilitation and development of two commodity group/sector organization strategies.

- Facilitated buckwheat industry strategy development.
- Facilitated bee industry strategy development.
- Secretariat support to Rural Veterinary Services Task Force, including process development and public meetings.

Objective 6:

To support the development, maintenance and testing of the department's emergency management plan and business continuity plans.

Completed Emergency Response Plan integrated into government-wide Emergency Response Plan.

- Provided significant leadership to build and develop emergency response plans for avian influenza outbreak, including food availability. Played a lead role in motivating and facilitating industry involvement and participation.

Completed departmental Business Continuity plan contributing to government-wide Business Continuity plan.

- Led, facilitated and motivated development of the departmental Business Continuity plan, as well as Business Continuity plans for the department, all knowledge centres, GO branches and executive management. Exercised the Business Continuity plan at the executive and director levels.

Objective 7:

To support the implementation of *The Public Interest Disclosure (Whistleblower Protection) Act* in the department.

- Raised awareness of the act with staff and management through presentations and distribution of materials.
- Assisted boards and commissions to understand their responsibilities under the act and seek formal process exemptions, where applicable.

Additional Results:

- Agricultural Policy Framework, Renewal Chapter - significant work on steering the Canadian Agricultural Skills Service (CASS) program.
- Leadership of a departmental employment diversity management workshop (Aboriginal recruitment focus) - workshop undertaken, leading to a written departmental strategy.

1 (c) Strategic Planning Directorate

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2007/2008			
	\$(000s)	FTEs	Over/(Under)	No.
			\$(000s)	
(1) Salaries and Employee Benefits	426.4	6.00	530.1	(103.7)
(2) Other Expenditures	160.3		154.8	5.5
Total Sub-Appropriation	586.7	6.00	684.9	(98.2)

Appropriation 1 (d) – Policy Analysis

Policy Analysis is a knowledge centre comprised of Agri-Food Policy, Rural Policy, and Program Analysis.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To provide research, analysis and advice on government policies that affect the agricultural sector, the agri-food chain and the rural economy.

Policy documents for consideration by the Minister and senior officials on key policy areas.

Economic studies and background support documents as required (such as on-farm income, farm financing, cost of production, transportation and trade subjects).

- Prepared ministerial briefing books and input into the Premier's briefing books for federal/provincial/territorial and Canada-U.S. meetings and other meetings attended by the Minister and/or Premier, including ministers of agriculture meetings, the Western Premiers' Conference and Western Governors' Association meetings.
- Prepared briefing notes to provide updates related to farm income issues in the livestock and crops industries, impacts on business risk management programs including funding impacts, trade and countervail issues and advocacy activities, federal/provincial/territorial agricultural policy negotiations, World Trade Organization negotiations, Agreement for Internal Trade, rail transportation, agri-environmental issues, Creating Opportunities Task Force Report recommendations, and the Succeeding Generations Initiative.
- Contracted with the Centre for Innovative and Entrepreneurial Leadership (CIEL) to conduct a pilot project to assess the business vitality of two Manitoba communities and assist the communities to develop short-term actions that would address their highest priority business vitality issues.
- Supported studies by other knowledge centres regarding ecological goods and services, climate change and bioproducts.
- As an intervener, MAFRI worked with Manitoba's legal counsel in preparing the documents and submissions required for filing with the Federal Court and the Federal Court of Appeal to support the legal challenge of Canada's proposed barley regulation.
- Prepared cost of production budgets for the major commodities produced in Manitoba for use by staff and industry.
- Researched and prepared responses to ministerial correspondence.
- Contributed to Manitoba's bioproducts strategy paper.

Provincial input into national and international agriculture, food and rural policies, programs and standards (emphasis has been on BSE, business risk management, taxation, domestic and international trade, Agricultural Policy Framework negotiation and implementation, marketing systems, infrastructure and environment).

- Analyzed, developed and negotiated for Manitoba's position in federal/provincial/territorial policy groups, including Growing Forward, business risk management, farm income, domestic and international agricultural trade, traceability, fair and ethical trading practices in the horticultural industry, transportation, food safety and the environment.
- Participated in the federal/provincial/territorial working sub-group on sustainability issues of biofuels.

- Supported other areas of the department in advocating for Manitoba's priorities in Growing Forward negotiations.
- Submitted Manitoba government expenditures in agriculture and the World Trade Organization (WTO) notification to Agriculture and Agri-Food Canada.
- Served on the advisory council for the Institute of Rural Development of Brandon University and provided provincial input into the work of the Faculty of Agricultural and Food Sciences at the University of Manitoba.
- Participated in presenting Manitoba's rural priorities to the Rural Secretariat of Canada, the federal department of Western Economic Diversification, and Rural Team Manitoba.
- Participated in the joint National Rural Research Network/Canadian Rural Revitalization Foundation/New Rural Economy conference in Vermillion, Alberta, participating in sessions with researchers and policy makers from across Canada.

Responses to information requests from other governments and departments.

- Participated in consultations led by other provincial departments and provided MAFRI input in the areas of transportation, rail line abandonment and food security.

*Information on agricultural, food and rural policy developments provided to stakeholders and clients.
Consultations with key stakeholders on policy and program issues.*

- Held provincial consultations with industry stakeholders on June 19, 2007 and February 4, 2008 to update them on the progress of Growing Forward (formerly called the Agricultural Policy Framework) federal/provincial/territorial agricultural policy negotiations and to obtain their input on Manitoba's opportunities, issues and priorities.
- Provided input into national Growing Forward industry consultations.
- Together with the Agri-Environment Knowledge Centre, supported Climate and Green Initiatives' (STEM) and Manitoba Rural Adaptation Council's climate change consultations.
- Met with the executive of Keystone Agricultural Producers on March 26, 2008 to discuss policy issues of mutual interest.
- Assisted in the government's support of the legal challenge of Canada's proposed barley regulation launched by the Friends of the Canadian Wheat Board and the Canadian Wheat Board.
- Provided policy information to front-line staff regarding Growing Forward, and business risk management, so that they can inform their clients.
- Drafted responses on behalf of the Minister and the executive committee to letters from clients/public/MLAs regarding departmental policy, programs, and broad-based industry issues.

Formulation of an action plan and task teams to implement recommendations of the Creating Opportunities final report.

- Formulated an action plan and task teams to implement recommendations of the Creating Opportunities final report. Engaged the interdepartmental steering committee in a review of provincial programs and activities that directly or indirectly address the recommendations made in the final report.

Implementation of Business Vitality Index training for departmental staff.

- Training on the use of the Business Vitality Index was provided to the department's Business Development Specialists – Community Development in October and December 2007, in conjunction with pilot projects in Dauphin and Gladstone.

Leadership for all program components of Succeeding Generations.

- Chaired the intradepartmental steering committee that provided leadership to all components of Succeeding Generations.

Up-to-date and comprehensive program information on the department's Internet home page.

- The Programs and Services section on the department's website was updated in August 2007.

Three issues of The Young Farmers Newsletter distributed and posted on the department's Young Farmers website each year.

- Three issues of *The Young Farmers Newsletter* were distributed and posted on the department's Young Farmers website.

Objective 2:

To provide program analysis / evaluation / facilitation / secretariat / technical services and management support documents that enhance the economy and effectiveness of the department's programs and activities.

Management documents for submission to central government.

- Prepared Treasury Board and Cabinet submissions regarding the Growing Forward agricultural policy negotiations, agri-environmental initiatives, livestock industry support and country of origin labelling (COOL).

Studies and internal reviews of designated program areas for consideration by senior executive members.

- Led a review of stakeholders' and departmental officials' experiences with Agricultural Policy Framework (five-year agreement from 2002-07, extended for one year) agreement programs and services, and their needs for Growing Forward program development and administration.

Additional Results:

- Administered the provincial role in all Agricultural Policy Framework programs as well as the AgriStability and AgriInvest programs.
- Explored policy needs related to agri-food safety and commercialization.
- Analyzed CAIS data in support of business risk management programs.
- Compiled selected Manitoba trade statistics on selected farm products.

1 (d) Policy Analysis

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	1,144.7	20.00	1,381.5	(236.8)	1
(2) Other Expenditures	391.0		385.3	5.7	
Total Sub-Appropriation	1,535.7	20.00	1,766.8	(231.1)	

1. The under-expenditure is mainly due to a higher than anticipated vacancy rate.

Appropriation 1 (e) – Knowledge Management

The Knowledge Management Knowledge Centre (KMKC) includes Knowledge Management and Industry Intelligence sections mandated to strategically develop informational assets, knowledge-based resources and industry intelligence to meet the needs of internal staff, unit-level teams and external partners.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To provide statistical information in agricultural and agri-food economics, production, marketing, outlooks and socioeconomics to the agricultural industry, agri-food sector, farmers and staff in electronic and print format.

Publication of the Manitoba Agriculture Yearbook and statistical releases that report on the economic status of the agriculture and agri-food sector, including farm income forecasts, production estimates and broad-based indicators of economic performance.

Development of existing and new databases for use in market analysis and economic impact assessment for the agriculture and agri-food industry, and to provide outlook information on grains, oilseeds and livestock markets.

Preparation of provincial agricultural estimates in conjunction with Statistics Canada and Agriculture and Agri-Food Canada.

- KMKC staff generated agricultural information and knowledge on industry trends and performance, vertical linkages and horizontal interactions across sectors. This was used to prepare ad hoc analysis for specialists and executives reviewing existing programs and developing new programs.
- Industry intelligence analysis undertaken in 2007/08 resulted in economic data and knowledge on the status of agriculture in Manitoba, commodity forecasts, production estimates and industry performance.
- Staff developed 12 agricultural economic reports assessing farm cash receipts, farm product prices, net farm income, farm operating expenses, value of farm capital, farm debt and bankruptcies, direct payments to agriculture producers, balance sheet of the agricultural sector, agriculture value-added account, crop and livestock statistics and provincial highlights linked to agricultural commodities.
- Centre staff analyzed domestic and international markets for grains, oilseeds, and livestock, and developed broad-based indicators of economic performance, socioeconomic circumstances, state of affairs and insights. This resulted in timely information, analysis and economic forecasting of supply, demand and price outlooks provided to the agricultural industry, agri-food sector, farmers, the general public and internal/external staff in electronic, fax and print formats.
- The 14 publications released in 2007/08 included the *Manitoba Agriculture Statistics Fact Sheet, Farm Bankruptcies, Farm Cash Receipts Estimates, Crop and Livestock Market Reports, Farm Income Forecast, Situation and Outlook, Statistics on Revenue and Expenses, Manitoba Agri-Food Exports to the United States and to the World, Manitoba Agriculture in Perspective, Manitoba Agricultural Census Profile, Value of Farm Land and Buildings by Agricultural Region and Rural Municipality, Estimates of Production of Principal Field Crops* and the *Manitoba Agricultural Yearbook*.
- Staff monitored the crops and livestock industries throughout the year and provided public information via 52 weekly crop and livestock reports, 15 statistical fact sheets and trend activity data.
- KMKC prepared provincial agricultural estimates and co-ordinated the update of yearly statistical knowledge with Winnipeg-based staff from the University of Manitoba, Canadian International Grains

Institute, Statistics Canada, Agriculture and Agri-Food Canada and the Manitoba Bureau of Statistics.

- KMKC staff participated in five federal/provincial/territorial meetings to co-ordinate statistical knowledge and information analysis with federal and provincial counterparts in developing measurements of agricultural activity, sector performance and economic strength including 60 on-going commodity price consultations and ten analysis-specific consultations.
- Staff represented provincial interests in statistical data collection and utilization in the federal-provincial consultation on the structure and performance of primary agriculture and challenges to competitiveness and prosperity. The initiative led to an agreement on implementing new methodologies and collaborative processes in market analysis and economic impact assessments.
- KMKC staff participated in the federal-provincial consortium on trade statistics access and utilization aimed at creating an inventory of research linked to concerns, issues and opportunities associated with export targets set by agri-food industry groups and understanding what impacts their achievement would have on farm income. The work undertaken in 2007/08 resulted in parameters developed for a quantitative study of the relationship between agri-food exports and farm income.

Objective 2:

To provide knowledge management leadership and to encourage adoption of the science of knowledge management through training and support.

Full establishment of a functional knowledge warehouse supported by staff in populating information repositories and in using the knowledge warehouse to fulfil their operational responsibilities.

Information management systems will be developed to meet the requirements of specific projects and users.

Software technologies that support information sharing will be identified and implemented for pilot trial initiatives. This will result in improved workspace utilization and will support training and knowledge sharing.

Image redesign and additional interactive applications on the department's Internet home page.

Knowledge and Photo Warehouse

- KMKC continues to develop processes to increase the functionality, reliability and ease of access to the knowledge warehouse. The warehouse is an online repository of information based on the Agdex classification system. It is searchable by Agdex classification, keywords, author, etc.
- Use of the knowledge warehouse continues to grow, reducing duplication and challenges with version control of documents resulting in more reliable information for staff.
- The diversity of documents continues to expand and now includes departmental knowledge, sectoral documents, industry information, key research data on issues and activities, and a record of hardcover publications and their location within the department.
- The number of photos in the photo warehouse also continues to grow. It, too, categorizes the photos based on keywords, making it easily searchable by staff.
- KMKC staff continue to work with GO teams and other knowledge centres to populate the warehouse and, if necessary, adapt the Agdex to accommodate specialized requirements.
- Staff assisted other knowledge centres and GO teams to facilitate access to knowledge resources for staff, clients and the public.

Work Collaboration

- The KMKC provided a secure workspace for horizontal teams, resulting in greater file sharing, electronic collaboration and timely knowledge delivery.
- Evaluation, testing and piloting of collaboration tools resulted in the selection of SharePoint as a tool to enhance workgroup abilities.
- Desktop video conferencing with document collaboration using Microsoft Office Communicator was tested and is being deployed to reduce travel costs, while increasing communication and collaboration opportunities amongst staff.

Internet and Intranet

- In 2007/08, the MAFRI Internet home page was the most visited provincial government website with close to 7 million page views annually. The weekly crop and livestock market reports made up the top ten most visited pages monthly.
- In 2007/08, as greater volumes of high quality information were incorporated, the departmental website exceeded over 8,900 files of information.
- The intranet was redesigned and relaunched to provide better support to staff.
- Specific additions included information on the MAFRI intranet site, departmental programs and services, fundamental information on industry sectors, specialized agricultural data and reports, global and regional marketing materials, technical crop and livestock information, crop disease and insect probability forecasting, and the weekly crop and livestock reports.
- Throughout the year, visitors to the home page included domestic, national and international inquiries, with most of the foreign users from the United States.
- Supported the Economy and Rural Development Knowledge Centre in the development of the Rural Forum website, including online event registration, payment, and moderated forums.

Video Conferencing, Webinars and Other New Technologies

- KMKC worked with other MAFRI staff and government departments to introduce video conference and desktop video conferencing as tools to enhance communication, collaboration and knowledge transfer.
- KMKC provided technical video conferencing support which enabled departmental staff to conduct activities when time and travel budget constraints precluded on-site meetings. Staff expertise in integrating video-on-demand platforms and troubleshooting experience ensured reliability and simplicity in order for users to successfully control basic conferencing commands.
- Innovative applications of video conferencing functions included project team meetings, committee meetings, corporate announcements, virtual training sessions, employee orientation, focus groups and other face-to-face meetings linking cross-functional/geographically-dispersed teams.
- Staff support in webinar delivery in 2007/08 efficiently enabled remote teams to work together, improve communications, strengthen relationships, make quicker decisions and finalize strategies.
- Staff investigated video streaming processes to increase the reach of video conferences, allow more participants to take part in events, and record and store sessions for training purposes. As a result, departmental staff were able to hold multi-venue conferences with several site locations.
- Staff delivered consultation and training on these new technologies used in implementing knowledge-based activities.

Additional Results:

- KMKC provided problem-solving expertise in co-ordinating the shared drives, managing Internet and intranet-based information, and maintaining back-up and working drives.
- Centre staff co-ordinated the MAFRI/EDS Drive Consolidation Project, incorporating MAFRI working files into a single-drive structure. As a result, all departmental staff now have shared access to working files from any physical location.
- Publication distribution in 2007/08 included 702 listings, and over the year the KMKC successfully introduced quality measures to track timeliness in delivery, including e-copies.

Objective 3:

To provide information technology leadership, management and support to ensure effective delivery of the department's programs and activities.

Development of an effective long-term strategy in geographic information system (GIS) technologies specific to the agricultural sector.

Realignment in technology service delivery in keeping with the Information and Communications Technologies (ICT) restructuring project.

Advice, direction and monitoring in the delivery of system developments related to knowledge management and streamlined management information systems for groups, projects and initiatives such as Food Development Centre, Soils Survey Program, veterinary laboratory and other departmental operations.

A horizontal team has been established to develop a tracking program to record agriculture, agri-food and rural investments throughout Manitoba, including northern communities.

A newly-established tracking system will compile business development activities of GO team Business Development Specialists for reporting on the intranet on a bi-annual basis.

- The IT project team continues to support the centralization of IT resources, addressing the project planning and operational requirements of transition.
- The staff remaining in KMKC maintained technology planning services, provided direct support to program staff in accessing and utilizing central resources, assisted in technical review functions, and supplied specialized services and technology solutions which helped knowledge centres and GO teams adapt to the new systems and processes.
- The IT project team focused on providing IT solutions that addressed departmental priorities, supported cross-functional goals and ensured processes and systems provided a robust system to minimize operational disruptions.
- KMKC staff facilitated six major project requests for identification and implementation of technologies utilizing software tools to support information sharing systems and knowledge integration.
- Technical support was provided to departmental staff and industry in geographic information system development to integrate applications, Global Positioning System data, "field-ready" computers and other handheld devices. A main highlight in 2007/08 was Internet-based interactive digital mapping.
- KMKC provided system development support soils information management resulting in improved data collection, sample evaluation, interpretation of soil data, model determination and distribution of soil survey information associated with direct land use planning and on-farm management practices.

- Staff provided technical input in the veterinary laboratory system and the department's Veterinary Diagnostic Services section for case management and testing procedures related to livestock and food safety. Data from this system had specific applications in disease surveillance and interdisciplinary collaboration.
- KMKC worked closely with MAFRI staff and strategic partners to develop a specialized system for food processing and handling inspection data collection. The resulting output was used to implement management procedures for ensuring compliance, data analysis processes for prediction models and food safety programming. This supported the department's ongoing development of a food safety act and responsibilities for "back door" and retail sale food inspection, in keeping with an agreement involving the City of Winnipeg, Manitoba Health and Healthy Living, Manitoba Conservation and other collaborators.
- Staff completed and implemented the Agricultural Crown Lands Redevelopment Project.
- Technical assistance was provided to the Food Development Centre in implementing knowledge management systems without re-architecting systems and retooling processes linked to consolidating management information, client management, project tracking and other related activities.
- KMKC provided follow-up support and technical maintenance for 19 custom-written applications and 31 different specialized software products purchased from vendors ranging from specific production agriculture-related products such as ration formulation programs to GIS mapping tools.
- Staff supported 12 servers running application and desktop tool functions for over 450 computers.

1 (e) Knowledge Management

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	1,256.8	20.00	1,592.4	(335.6)	1
(2) Other Expenditures	292.3		266.0	26.3	
Total Sub-Appropriation	1,549.1	20.00	1,858.4	(309.3)	

1. The under-expenditure is mainly due to a higher than anticipated vacancy rate.

Appropriation 1 (f) – Boards, Commissions and Legislation

The Boards, Commissions and Legislation Knowledge Centre includes the following council, agency, boards and commissions:

- Agricultural Producers' Organization Certification Agency
- Manitoba Farm Lands Ownership Board
- Manitoba Farm Machinery Board
- Manitoba Farm Mediation Board
- Manitoba Farm Practices Protection Board
- Manitoba Farm Products Marketing Council
- Manitoba Horse Racing Commission
- Manitoba Milk Prices Review Commission

The Boards, Commissions and Legislation Knowledge Centre is responsible for regulating the production and marketing of certain agricultural commodities, providing mediation services, reviewing nuisance complaints arising from agricultural operations, considering applications to own farmland by non-residents, setting producer prices, providing a mechanism to fund research and promotion activities and regulating horse racing within the province.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective:

To conduct program delivery functions and provide staff support to the Farm Products Marketing Council, the Farm Machinery Board, the Milk Prices Review Commission, the Agricultural Producers' Organization Certification Agency, the Farm Practices Protection Board, the Manitoba Farm Mediation Board and the Manitoba Farm Lands Ownership Board.

Manitoba Farm Products Marketing Council

The objective of the Manitoba Farm Products Marketing Council is to provide effective administration of *The Farm Products Marketing Act*, which is to provide for the promotion, regulation and management of the production and marketing of farm products within the province.

Supervision of the following boards and commissions:

- *Dairy Farmers of Manitoba*
- *Keystone Potato Producers Association*
- *Manitoba Beekeepers' Association*
- *Manitoba Cattle Enhancement Council*
- *Manitoba Chicken Producers*
- *Manitoba Egg Producers*
- *Manitoba Pork Council*
- *Manitoba Turkey Producers*
- *Peak of the Market*

Ensure that the boards and commissions operate within their respective legislative authorities, render decisions to uphold or dismiss appeals by individuals affected by a decision, regulation or order of a board or commission and provide advice to the Minister on issues affecting the various provincial marketing plans, regulations, orders and federal-provincial agreements.

- For the 2007/08 period, the Manitoba Farm Products Marketing Council convened ten meetings at which eight appeals were heard, and eight delegations made presentations. The council's activities were primarily focused on administration of quota transfers and allocation of over base quotas in the poultry industry; processing plant supplies, provincial allocations and premium levels; special marketing levy for processing potatoes; inspections for non-remittance of levies for hogs, numerous amendments to various orders, regulations and bylaws, and significant increase in the number of appeals.

Manitoba Farm Machinery Board

The Manitoba Farm Machinery Board administers *The Manitoba Farm Machinery and Equipment Act*, involving the board with all segments of the farm implement industry – producers, dealers, distributors and manufacturers.

The Farm Machinery and Equipment Act requires lenders financing farm machinery by means of a lien note security document to apply to the board for leave to repossess when an account goes into arrears and before repossession can occur. Manitoba is the only jurisdiction in Canada requiring a quasi-judicial body to pass judgment before farm machinery repossession can take place.

Examine applications for leave to repossess farm machinery, render decisions on the applications, resolve 85 per cent of the applications without repossession, and mediate differences between producers and farm equipment dealers/manufacturers.

- In the 2007/08 fiscal year, six meetings and two conference calls were convened.
- In the 2007/08 fiscal year, the board received and processed 105 applications for leave to repossess, an increase of one application over the same period in 2006/2007. The board resolved 80 per cent of the applications without repossession taking place. This percentage was lower than the anticipated 85 per cent due to the current farming economic conditions.

Manitoba Milk Prices Review Commission

The Manitoba Milk Prices Review Commission was established under *The Milk Prices Review Act*, 1980. Its mandate is to set a producer price for fluid milk and to monitor and control wholesale and retail milk prices as required.

Establish fluid milk prices at the producer level and maximum wholesale and retail price of one-litre containers semi-annually, based on costs of production, processing and retailing.

- In the 2007/08 fiscal year, the commission convened five meetings.
- On September 5, 2007 and February 14, 2008, the commission met with the Dairy Farmers of Manitoba and Manitoba milk processors to determine if new producer, wholesale and retail prices for fluid milk were required. The commission reviewed the Manitoba Dairy Farm Cost of Production (COP) Summary on both occasions.
- On September 5, 2007, the commission agreed to increase the fluid milk price for producers by \$2.38/hl from \$77.00/hl to \$79.38/hl effective October 1, 2007. The increase was the result of an increase in labour, operating expenses and barley prices. As a result, the commission also agreed to increase the maximum wholesale and retail prices for fluid milk sold in one-litre containers by two cents effective October 1, 2007.
- On February 14, 2008 the commission agreed to increase the fluid milk price for producers by \$2.43/hl from \$79.38/hl to \$81.81/hl effective March 1, 2008. This increase was the result of an increase in hay and barley prices and higher labour costs. As a result, the commission agreed to increase the maximum wholesale and retail prices for fluid milk sold in one-litre containers by three cents effective March 1, 2008.

Agricultural Producers' Organization Certification Agency

The Agricultural Producers' Organization Funding Act requires that the agency will certify one general farm policy organization and provide a funding mechanism for designated producer commodity organizations.

*Conduct referenda as requested among producers to determine if commodity organizations should be designated under *The Agricultural Producers' Organization Funding Act*, and to certify one general policy organization.*

- In the 2007/08 fiscal year, the agency convened three conference calls.
- On March 6, 2008 the agency approved Keystone Agricultural Producers' (KAP) request to increase

its membership fee from \$125 to \$150 (plus GST). KAP has not had a membership fee increase since 2001.

- On February 20, 2008 the Agricultural Producers' Organization Certification Agency conducted a referendum among winter wheat producers to determine if Winter Cereals Manitoba Inc. would become the designated representative of winter wheat growers in Manitoba. Winter Cereals Manitoba Inc. received 60.6 per cent support from winter cereal producers, which is above the 60 per cent level required. The agency recommended to the Minister of Agriculture, Food and Rural Initiatives that Winter Cereals Manitoba Inc. be designated as the representative of all producers of winter wheat in Manitoba.
- On November 8, 2007 the agency accepted the petition from the Manitoba Oat Growers Association for designation without conducting a referendum among oat producers and the agency recommended to the Minister of Agriculture, Food and Rural Initiatives that the Manitoba Oat Growers Association be designated the representative of all producers of oats in Manitoba. The association demonstrated producer support for the check-off including two past referendums where producer support increased from 47 per cent to 53 per cent.
- The agency denied the Manitoba Flax Growers Association's request for designation without holding a referendum among flax producers. The association has not demonstrated support from flax producers for designation. The agency agreed to conduct a referendum for the association in April 2008 to determine flax producer support for designation.

Manitoba Farm Practices Protection Board

The Farm Practices Protection Act provides a process for reviewing and mediating nuisance disputes arising from practices of legally established agricultural operations. The act is intended to provide protection from nuisance suits to agricultural operations that are conducting their activities in a normal manner, and to bring about changes to practices that are unacceptably disturbing to neighbours.

Investigate applications to determine whether related disturbance results from a normal farm practice, and endeavour to resolve a dispute between the aggrieved party and the owner/operator of the agricultural operation.

- In 2007/08 the board convened five meetings at which three odour complaints and one spray drift complaint were considered and orders rendered.

Manitoba Farm Mediation Board

The Manitoba Farm Mediation Board administers *The Family Farm Protection Act*. The objectives of the act are to protect farmers against unwarranted loss of their farming operations during periods of difficult economic circumstances, and to preserve the farmland base, management skills, human resources and existing lifestyle of farm communities in Manitoba.

Review applications from both lenders and farmers for assistance in resolving the farmer's financial difficulty; achieve settlement in 70-80 per cent of cases.

- For the fiscal year ending March 31, 2008, seven board meetings were convened to consider policy issues and new guarantees.
- **Applications** - There are two types of applications to the board: voluntary requests for mediation and applications by creditors for leave to foreclose on farmland. The total number of applications received decreased slightly over the same period for the previous year from 114 to 103. In 2007/08, the board did achieve a settlement in 75 per cent of the cases in which its mediation services were used.
- **Guarantees** - The board administers the Special Farm Assistance Fund. The fund was established to help producers obtain an arrangement involving continued credit or a leaseback of property conveyed to creditors. In order to qualify for a guarantee, the operation must demonstrate viability and the producer, lender, and board must agree to a farm financial plan. The board approved new guarantees for six farm clients in 2007/08, with a total liability of \$239.5 over a maximum four-year

period. There were 18 farmers who had guarantees during the year, with a total potential liability of \$238.9. The actual amount paid was \$29.3 or 12.25 per cent of the liability.

When a payment is made on a guarantee, a caveat is placed against the farmer's property. If the farmland is sold by the farmer within five years of a board payment and there is equity available, the farmer is required to repay to the board the lesser of the amount paid under the guarantee and the value of the equity in the land.

Manitoba Farm Lands Ownership Board

The Farm Lands Ownership Board's main activity is to consider Applications for Exemption and to provide information about and direction on inquiries regarding *The Farm Lands Ownership Act*. In general, with some exceptions, any non-Canadian resident or publicly traded corporation must obtain a board exemption to be allowed to take an interest in more than 40 acres of Manitoba farmland. The board charges an application fee of \$245.33 (including GST).

Ensure that the Applications for Exemption under The Farm Lands Ownership Act are considered within specific guidelines, and provide a response within 45 days in 90 per cent of cases.

- For the fiscal year ending March 31, 2008, seven meetings were convened at which the board considered various policy issues and Applications for Exemption from the act. The board received 63 applications in 2007/08 of which 51 were approved, seven were denied, two were withdrawn and three were still pending as of the end of the fiscal year. The board considers policy issues and Applications for Exemption at these meetings. The board also considers Applications for Exemption between board meetings to provide timely responses. The board responded in 88 per cent of cases within 45 days.

Additional Results:

Manitoba Horse Racing Commission

The Manitoba Horse Racing Commission is responsible for controlling and regulating horse racing and the operation of race tracks in Manitoba. The commission confines its regulatory responsibilities to only those tracks offering pari-mutuel racing.

The total combined and simulcast wagering for the year at Assiniboia Downs was \$30.4 million, a decline of approximately \$1.0 million from the previous year. The Manitoba Great Western Harness Racing Circuit raced 22 days with an average daily wagering of \$5.3 compared to \$5.9 the previous year. There were a total of four Quarter Horse races run at Assiniboia Downs and no similar races were run in rural Manitoba.

1 (f) Boards, Commissions and Legislation

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs	Estimate 2007/2008 \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
(1) Salaries and Employee Benefits	405.5	7.00	473.5	(68.0)	
(2) Other Expenditures	540.8		627.2	(86.4)	
(3) Grant Assistance - Special Farm Assistance	29.3		100.0	(70.7)	1
Total Sub-Appropriation	975.6	7.00	1,200.7	(225.1)	

1. *The Special Farm Assistance Fund under Boards, Commissions and Legislation provides financial guarantees to producers in severe financial distress to assist them in sustaining their farming operations. Requests for assistance were lower than anticipated in 2007/08.*

Appropriation 1 (g) – Financial and Administrative Services

Financial and Administrative Services provides financial, accounting, management and administrative support to Manitoba Agriculture, Food and Rural Initiatives (MAFRI) in accomplishing its goals and objectives. As well, the branch undertakes corporate review, comptrollership and agency accountability to provide assurances that financial management practices, systems, delegated authorities and processes are functioning to support accountability and expenditures are in compliance with policies, procedures, acts and legislation.

Financial and Administrative Services also provides leadership in developing and administering financial and administrative support systems. The department has developed a comptrollership framework to manage and support decentralization of financial authority and operational responsibility. This framework will further ensure the efficient utilization and administration of the province's fiscal and human resources within MAFRI.

The Financial and Administrative Services branch has two main components: Financial and Accounting Services, and Corporate Review, Administration and Agency Accountability. The Financial and Accounting Services component manages the department's estimates of expenditure, capital, capital supply and revenue process; manages departmental finances including co-ordinating monthly cash flow preparation and variance analysis; provides financial advice and management support; develops and implements the comptrollership framework within the department; and ensures that all expenditures are processed and reported in accordance with government policies and generally accepted accounting principles.

The Corporate Review, Administration and Agency Accountability component provides support to the department's corporate management. Responsibilities include assistance in the planning of internal audit and consulting services; review of comptrollership effectiveness; agency accountability in relation to reporting and funding, as well as grant accountability; workplace safety and health; administration operations; accommodation; sustainability; contract management; *The Freedom of Information and Protection of Privacy Act*; performance indicator reporting; annual report and supplementary information for legislative review; fleet vehicles; physical asset inventories; leases for space and equipment; directional planning co-ordination within the branch and corporately; parking; security and risk management; insurance; and co-ordination of departmental staff training.

The expected results, as planned during the 2007/08 estimates process, are displayed below in *italics* followed by bulleted actual results.

Objective 1:

To plan, advise, administer, report and ensure effective implementation and adherence to the varied central and departmental policies, goals, programs, activities and mandates.

Knowledge centres and GO teams have the required government vehicles to meet their needs.

- Knowledge centres and GO teams had 60 permanent government vehicles and ten seasonal vehicles assigned to staff in 2007/08 in order to meet their business needs.
- Eight fleet vehicles were replaced in 2007/08.

Monitoring and adherence to the provisions of The Freedom of Information and Protection of Privacy Act which includes processing approximately 20 applications per annum within the prescribed timeframes; conducting education and awareness sessions for department staff; and reporting activities centrally on a quarterly basis.

- Staff received 14 FIPPA applications in 2007/08.
- Staff attended the monthly interdepartmental Freedom of Information and Protection of Privacy (FIPPA) Coordinators meetings in order to keep informed about FIPPA requirements.

- Staff prepared quarterly reports on a timely basis for the Privacy Policy Secretariat.
- Staff worked with and provided information to the Ombudsman's Office on two requests.

Monitoring and records management co-ordination in the department by ensuring staff are trained and knowledgeable, and have the appropriate records schedules in place for the timely movement of records to storage and destruction centres.

- Staff approved and monitored approximately 90 records box transfer lists ensuring that there was timely movement of records to storage and destruction centres.
- Staff worked with the Privacy Policy Secretariat on the Privacy Risk Mitigation Project to assess privacy protection and develop risk mitigation strategies. The privacy project team recommended that a number of branches complete an Inventory of Personal Information Systems. The inventory is designed to help departments decide where to focus their risk mitigation activities.

Monitoring and co-ordination of accommodation activity in the department (43 locations) on an ongoing basis to ensure knowledge centres and GO teams have adequate and useable space, and cost savings are achieved wherever possible.

- Eleven GO office leases were renewed in 2007/08 in conjunction with Manitoba Infrastructure and Transportation.
- Staff ensured that the Accommodation Cost Recovery System (ACRS) is kept up-to-date so that accurate space costs are allocated to the appropriate MAFRI GO teams/knowledge centres.

Monitoring and co-ordination of 216 parking spots to ensure parking guidelines are adhered to and payments are made and processed in a timely manner.

- Staff monitored and co-ordinated 242 parking spots for department staff.

Monitoring and maintenance of an inventory of departmental assets.

- Staff maintained an inventory of departmental assets and updated property insurance values worth over \$12 million.
- Staff provided consultative services to branches on asset management.

Monitoring and assurance that sustainable development procurement practices are consistent with the overall departmental sustainable development plan.

- Staff participated on the Green Building Policy Interdepartmental Working Group as the department's representative.

Monitoring and co-ordination of the student hiring requests process, ensuring requests are approved and communicated to department management.

- Staff co-ordinated the summer and fall student hiring process, which included a focus on diversity in the workplace.
- Fifty-seven STEP students were employed by the department during the summer of 2007.
- Twelve part-time STEP students were employed by the department during the fall and winter of 2007/08.

Additional Results:

- Staff chaired the departmental Technology Committee and developed a Communications Devices Draft Policy Statement for the department. The draft policy included recommendations on cell phone and BlackBerry usage in the department.
- Staff provided support and assistance to other staff in the department on the development of approximately 60 contracts, ensuring proper risk management and that guidelines outlined in the General Manual of Administration (GMA) were followed.
- Staff co-ordinated the preparation and printing of the *Supplementary Information for Legislative Review, Estimates Debate Book, Ministerial House Book Issues* and the *Annual Report*. Documents were printed and tabled in the legislature within the appropriate timeframes and according to Manitoba Finance's instructions.
- The annual report on the department's French Language Services was prepared and staff continued to support the French Language Services Plan by co-ordinating and monitoring departmental publications for translation, including publications for Manitoba Agricultural Services Corporation (MASC) to ensure that agricultural services are offered to producers in various French language designated areas throughout Manitoba.
- Staff participated on the Professional Development, Training, Human Resource and Renewal Committee.

Objective 2:

To provide improved financial and administrative services to operational units and support enhanced management accountability within the department, associated corporation and special operating agency.

Processing of approximately 2,000 payments centrally per year.

- Staff processed 2,002 transactions during the 2007/08 fiscal year.

Compliance with department and government policies, accuracy and completeness of financial activity.

- Staff provided support, consultation and analysis to the department and related agencies on government and departmental policy on a daily basis.
- Staff enhanced training through monthly meetings for Administrative Officers from all branches to ensure that all financial activities were properly recorded on a timely basis.
- Central staff visited a number of branch locations in rural communities to complete transactional audits during the year to test compliance with governmental and departmental policies.
- Staff updated the departmental comptrollership plan with the required new components, including risk management strategies, performance measures and legislative compliance.
- Staff ensured compliance to *The Public Sector Compensation Disclosure Act*.

Processing of revenue transactions on a daily basis amounting to 20 per year.

- Within the past year, revenue processing has been decentralized and each branch is now responsible for processing its own revenue.
- Financial and Administrative Services staff now process revenue on a weekly basis. For 2007/08, a total of 16 revenue transactions were processed, including parking revenue and salary recoveries from the federal government for seconded employees.

Annual estimates, capital supply estimates, and the annual report systems are managed within established timeframes.

- Departmental estimates, monthly and quarterly cash flows, expenditure management and other required financial reports were completed. However, due to a workload/resource imbalance, not all reports met the submission deadlines.
- The department was able to effectively and efficiently use resources to provide relevant budgets to existing and new departmental programs and external agencies.

Accurate information on the availability of resources is provided on a timely basis to facilitate decision-making for the achievement of departmental objectives.

- Staff provided reports on fund availability and financial strategies on a regular basis.
- Cash flows were prepared on a monthly basis, including forecasts of resource utilization to the end of the year.
- Effective and accurate staff utilization and out-of-province travel reports were readily available for executive review.

Research and analysis of information required by the department, Cabinet and Treasury Board is provided on a timely basis.

- Provided corporate support through the analysis of Treasury Board submissions with respect to programming and financial implications prior to Deputy Minister's review.
- Conducted research and analysis on federal/provincial cost-shared programs and provided information to the department's executive committee for program and process improvements.

Financial statements are prepared and analyzed as required.

- As required, and on a timely basis, staff prepared, reviewed and analyzed departmental financial statements, as well as reviewed the financial statements prepared and submitted by Manitoba Agricultural Services Corporation (MASC), Food Development Centre (FDC), Co-operative Promotions Board, Co-operative Loans and Loans Guarantee Board, Manitoba Cattle Enhancement Council (MCEC) and the Manitoba Horse Racing Commission.

Monitoring of the departmental financial development process related to Canada-Manitoba Agreements.

- Although not directly responsible for Canada-Manitoba Agreements, staff were instrumental in getting approval for the continuation of Agriculture Policy Framework (APF) compliant projects with federal funds that would normally have lapsed when the APF agreement ended on March 31, 2008.
- Staff are continuing to work on developing a proposal to deal with the year over year volatility of the costs of the Canadian Agricultural Income Stabilization Program (CAIS). During 2007/08 this program was split into the AgriInvest and AgriStability programs.

1 (g) Financial and Administrative Services

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs	Variance Over/(Under) \$(000s)	Expl. No.
(1) Salaries and Employee Benefits	752.5	13.00	938.1	(185.6)
(2) Other Expenditures	250.8		346.6	(95.8)
Total Sub-Appropriation	1,003.3	13.00	1,284.7	(281.4)

Appropriation 1 (h) – Human Resource Management Services

Human Resource Management Services is responsible for the provision of a full range of strategic human resources (HR) services, including advice, consultation, development, implementation, administration, and monitoring of departmental human resources programs and services for Manitoba Agriculture, Food and Rural Initiatives (MAFRI), Manitoba Conservation, Manitoba Intergovernmental Affairs and Manitoba Water Stewardship. In addition, the branch provides human resource advice and assistance to the management of the Food Development Centre (FDC) and Pineland Nursery.

Elements of these services and programs include:

- Recruitment and selection
- Civil service renewal
- Job classification
- Wage and salary administration
- Employment equity and diversity
- Staff training and development
- Performance review/evaluation
- Labour relations
- Human resources planning
- Personnel records
- Benefits administration

Each department maintains on-site Human Resource Management Services. However, the Pay and Benefits sections for all four departments are co-located.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective:

To provide for the development, implementation and administration of the departmental human resource program.

Skill development in orienting new employees and managing performance.

- All new employees received a full orientation package for the department along with on-the-job coaching by the supervisor or administrative officer. A probation period performance management form is provided to the supervisor and the final report is returned to HR Services in the fifth month of the six-month probation period for review.
- New MAFRI employees participated in the Civil Service Commission's Corporate Orientation program pilot, which is now an ongoing mandatory program offering.

Improved knowledge and skills to ensure provision of quality service to clients.

- The Professional Development, Training, Human Resources and Renewal Committee was formed in 2007 to ensure continuous learning and development of MAFRI staff through elements such as orientation, career development, performance management and reporting, diversity and employment equity actions, succession planning and renewal activities. Working as a core planning group, the committee focuses on deliverables such as Aboriginal diversity, renewal and appointments.
- Continued to provide leadership development training and assisted in the creation of management development workshops for Growing Opportunities managers and supervisors.

Improved knowledge and skills for staff to transition and/or compete for new job opportunities within the Growing Opportunities initiative.

- Specialized training (versus general training) continued to be the focus, concentrating on areas such as:
 - Growing Opportunities training
 - Professional/technical update
 - Management update
 - Orientation program
 - Legendary service
 - Leadership development
 - Extension
 - Workplace health and safety
 - Information technology
 - Systems applications product (SAP) training
 - Respectful workplace
 - Managing under the collective agreement/performance management
 - Whistleblower legislation
 - Learning plans

Improved productivity through performance management and measurement.

- Annual performance management assessments are completed for each employee on their anniversary date. The department's performance management program continues to produce over a 90 per cent completion rate annually.
- The branch developed an HR strategic plan for 2007 to 2010, addressing critical systemic challenges, prioritizing the needs of the four departments within the HR sector based on their strategic plans, Priorities & Strategies Overviews (PSO) and support of corporate HR initiatives. The strategic plan is reviewed quarterly and annually. As well, an HR statistical report is provided to the deputies of the four departments on a monthly basis.

Administration, implementation and evaluation of the department's staffing and wage and salary systems under delegated authority.

- During 2007/08, the branch assisted MAFRI in filling 102 positions (53 competitions, 49 direct staffing actions) with no staffing appeals. The branch also assisted with the recruitment of 69 students.
- The branch participated in the Civil Service Commission's corporate initiative to review the current staffing process and make recommendations to decrease the time frames associated with filling vacancies.

Continued emphasis on employment equity in staffing and development.

- Employment equity (EE) continued to be used as a selection criterion in the recruitment process. The department continues to participate in the Civil Service Commission's Career Gateway Program and Aboriginal Management Development Program. As of March 2008, the department's representation in the employment equity target groups was 57.5 per cent female, 1.6 per cent Aboriginal, 2.6 per cent persons with a disability, and 4.6 per cent visible minority. An EE/diversity strategy was drafted for review, with input and approval by directors and executive. The branch will lead the implementation of the plan, including monitoring progress and results.
- A special workshop was held for managers, directors and executive at the Long Plains First Nation conference centre in Portage la Prairie in November to address the improvement of Aboriginal diversity within the department. A report was generated based on the feedback and results of the workshop, and these were incorporated into the department's draft EE/diversity strategy.

- The department participated in the Peguis First Nation Science and Engineering Technology Symposium held at the University of Manitoba Fort Garry and Bannatyne campuses in February 2008.

Continued assistance and advice to management on labour relations issues.

- Branch staff assisted in the resolution of various labour relations issues in consultation with department management, supervisors, and employees, as well as Labour Relations, Treasury Board and the Manitoba Government and General Employees Union.

Assistance to management in planning effective human resource strategies that enhance organizational effectiveness.

- The creation of the Professional Development, Training, Human Resources and Renewal Committee, combined with the development of the three-year HR strategic plan, has assisted in the provision of strategic assistance to management on human resource and succession planning issues.

Provision of comprehensive payroll services and benefits administration.

- The branch continued to administer the department's pay and benefits system and maintained payroll records for staff. Vacation utilization and carryover were monitored by Human Resources Services. The Vacation Carryover for Retirement Purposes program was also monitored and reports were provided to executive.
- Human Resources assisted in implementing the Voluntary Reduced Work Week Program (VRW) in which 70 staff participated with a total of 484 VRW days taken during 2007/08.
- The branch provided corporate leadership in the concept, development and implementation of the "Corporate Awards and Recognition Employee Program" and associated catalogue working with the Materials Distribution Agency, Civil Service Commission and all Human Resources Services sectors.

1 (h) Human Resource Management Services*

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2007/2008			
	\$(000s)	FTEs	Over/(Under)	No.
	\$(000s)		\$(000s)	
(1) Salaries and Employee Benefits	371.9	5.00	361.0	10.9
(2) Other Expenditures	47.5		56.5	(9.0)
Total Sub-Appropriation	419.4	5.00	417.5	1.9

- * Figures represent MAFRI's portion of the HR Sector resources. Additional resource information and results can be found in the Annual Reports for Manitoba Conservation, Intergovernmental Affairs and Water Stewardship.

Appropriation 2

Risk Management, Credit and Income Support Programs

Appropriation 2 (a) – Manitoba Agricultural Services Corporation (MASC)

The Manitoba Agricultural Services Corporation (MASC) provides risk management solutions for farmers, financing options for agricultural and rural businesses, and other programs and services that support the development and sustainability of rural Manitoba. MASC's responsibilities and governance are outlined in *The Manitoba Agricultural Services Corporation Act*.

MASC is responsible for developing and delivering Production Insurance in Manitoba. Production Insurance is provided on 60 different crops, covering over 85 per cent of Manitoba's cultivated land. Costs are shared between insured producers and the governments of Canada and Manitoba. MASC offers a separate Hail Insurance policy to producers enrolled in Production Insurance. Producer premiums cover all of the related hail costs, including administration. In addition, Wildlife Damage Compensation is provided to producers who suffer financial losses due to damage caused by waterfowl, big game and natural predators. The cost of Wildlife Damage Compensation is shared between the governments of Canada and Manitoba.

MASC provides loans and loan guarantees to the agricultural industry. Special emphasis is placed on young farmers through the Bridging Generations Initiative, and on-farm diversification and value-added production which are vital to the future of rural communities. In addition, MASC facilitates non-agricultural loans to small businesses in rural Manitoba by providing loan guarantees through the Rural Entrepreneur Assistance (REA) program. Funding for all of MASC's lending programs is provided by the Manitoba government. MASC administers a number of other support programs for Manitoba producers. More information on these programs and on MASC's insurance and lending activities and results can be found in MASC's 2007/08 Annual Report.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective:

To support and encourage the development and diversification of Manitoba's rural economy through the provision of credit and programs to manage income risk.

Income Risk Management Programming

Provide \$1.3 billion of Production Insurance liability, covering 9.3 million acres and 10,000 farm operations.

- Production Insurance liability totalled \$1.32 billion covering 9.0 million acres and 9,900 farm operations.

Provide \$330 million of Hail Insurance liability, covering 3.0 million acres and 3,600 farm operations.

- Hail Insurance liability totalled \$477 million on 4.1 million acres and 4,500 farm operations.

Pay \$1.5 million in Wildlife Damage Compensation.

- Wildlife Damage Compensation paid out almost \$2.0 million to producers on over 2,600 claims, with total program costs of \$2.38 million, of which 40 per cent was funded by the Manitoba government.

Provide Production Insurance premium rebates of \$10.0 under the Young Farmer Crop Plan Credit program.

- Sixty-four young farmers qualified for total premium credits of \$12.8.

Credit Programming

Administer a total loan/guarantee portfolio of \$600 million, covering 5,000 Manitoba farmers.

- As of March 31, 2008, MASC had a loan portfolio of \$318.0 million and outstanding guarantees on \$336.2 million of loans, for a total portfolio of \$654.2 million, covering over 4,500 clients.

Provide \$64 million in new loans.

- MASC approved 724 agricultural loans totalling \$63.2 million.

Facilitate \$95 million in private sector loans to agricultural enterprises by providing \$23.75 million in loan guarantees.

- MASC facilitated 230 loans to agricultural enterprises totalling \$80.0 million by providing \$20.0 million in loan guarantees.

Provide benefits of \$1.5 million to young farmers.

- MASC provided benefits to young farmers totalling \$1.7 million through the Young Farmer Rebate and Management Training Credit components of the Bridging Generations Initiative.

Facilitate \$3.75 million in private sector loans for rural economic development by providing \$3.0 million in loan guarantees.

- MASC facilitated 63 loans totalling \$6.9 million through Rural Entrepreneur Assistance (REA) by providing \$5.5 million in loan guarantees.

2 (a) Manitoba Agricultural Services Corporation

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008	2007/2008		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
Grants/Transfer Payments:					
(1) Administration	8,681.6	150.00	10,132.3	(1,450.7)	1
(2) Insurance Premiums	36,780.5		37,709.0	(928.5)	
(3) Wildlife Damage Compensation	951.9		747.9	204.0	2
(4) Net Interest Costs, Loan Provisions and Program Incentives	587.7		931.6	(343.9)	3
Total Sub-Appropriation	47,001.7	150.00	49,520.8	(2,519.1)	

1. *Actual administration costs were lower than anticipated mainly due to a lower than average claim year, higher than average staff turnover and reductions in travel and communication costs. These decreases were partially offset by retro-active salary and benefit increases for the new adjutor collective agreement.*
2. *Wildlife Damage Compensation costs were higher than budget mainly due to higher than average claim activity and larger than average claims.*
3. *Actual 2007/08 expenditures were lower than budget mainly due to: higher than expected net interest income partially offset by interest concessions and loan provisions for the new Hog Assistance Loan Program; and a higher Rural Entrepreneurial Assistance loan guarantee loss provision caused by higher than expected activity in the program.*

Appropriation 2 (b) – Canadian Agricultural Income Stabilization (CAIS) Program

During 2007/08, the CAIS program was replaced by the AgriStability and AgriInvest programs. Federal, provincial and territorial ministers implemented this change as part of an overall suite of business risk management (BRM) programs that was developed through consultations with industry. Other programs in the suite include AgriInsurance, which builds upon the former Production Insurance, and AgriRecovery, a framework for supplementing assistance under disaster situations. The AgriRecovery framework was still in the development stage at the end of the fiscal year.

AgriStability helps producers recover from large income declines through coverage based on an individual's historical operating margins. Producers participate in the program by paying a fee and submitting their financial results for the current and past years. The program provides support to help offset a portion of a drop that is below 85 per cent of the historical average.

AgriInvest helps producers save for investments to improve future income or to help recover from minor income declines. Producers participate by setting up an account and making a deposit of up to 1.5 per cent of their net sales in the year. The deposit is then matched by governments.

Both programs are cost-shared by the federal and provincial governments on a 60/40 basis. They are administered by the federal government with offices primarily located in Winnipeg.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective:

To provide farmers with comprehensive, predictable, individually-targeted income stability.

Producers will realize increased income stability with government assistance when their margins decline.

• AgriStability

In 2007/08 producers in AgriStability provided financial information for the 2006 program year, and signed up for coverage for the 2007 program year. Payments were made to producers who incurred a drop in margin in 2006, and interim payments for 2007 were made available.

For the 2006 program year (as of June 15, 2008):

- A total of 12,833 Manitoba producers paid the required fee to participate in the program.
- A total of 98.45 per cent of applications involving financial information were processed.
- A total of 4,996 producers received a payment; and the total of the payments made was \$136.1 million, of which Manitoba's share is \$54.4 million.
- In addition, Manitoba's share of administration costs amounted to \$4.6 million.

For the 2007 program year (as of June 15, 2008):

- A total of 432 producers received approximately \$41.9 million in advance payments, which includes interim payments and targeted advances for hog producers.
- Final payments will be provided to producers during 2008/09.

The 2007/08 appropriation represents expected payments for the 2007 program year as well as adjustments for prior years. As the participants' financial information needed to calculate 2007 program year payments is not available until the following year, payments must be estimated at year

end. A severe decline in livestock sector margins due to lower prices and higher feed costs is expected to drive up program payments. This will be partially offset by reduced payments to the crop sector, as crop producers experienced higher margins in 2007 due to significantly higher crop prices.

MAFRI was also a participant in the Manitoba CAIS appeals subcommittee in 2007/08, which provided recommendations on 135 formal appeals by producers for the 2003 through 2006 program years.

- AgriInvest

The 2007/08 appropriation for AgriInvest represents expected payments for the 2007 program year, which will be determined once participants file their tax forms and commit to their deposits. As deposits are unknown at year end, the amount recorded is based on estimated net sales. Payments are expected to increase overall due to higher crop prices, although are partially offset by lower payments to livestock producers.

Additional Results:

During 2007/08, Manitoba supplemented these programs with additional support to livestock producers to help sustain the industry in the short term. This included \$14.7 million for direct payments and \$149.0 for bovine tuberculosis testing and loan deferrals for ruminant producers. The direct payments were up to 3 per cent of the producer's net sales of ruminants (cattle, sheep, goats, bison, elk, and deer).

2 (b) Canadian Agricultural Income Stabilization Program

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Grants/Transfer Payments:				
Agri-Stability	75,601.3	36,826.7	38,774.6	1
Agri-Invest	14,108.6	14,579.0	(470.4)	
Ruminant Sector Support	14,849.0	-	14,849.0	2
Total Sub-Appropriation	104,558.9	51,405.7	53,153.2	

1. *The over-expenditure is mainly due to payments made under the new Agri-Stability program as a result of larger income losses in 2007/08 in the livestock sector than originally forecasted under the Canadian Agricultural Income Stabilization program caused, in part, by a sharp increase in feed costs in the last quarter of the year.*
2. *The Province had a one-time Ruminant Sector Support program in 2007/08, which included direct payments to producers based on up to 3% of net livestock sales, direct payments to cattle producers conducting tuberculosis testing and changes to existing BSE recovery loans to defer principal payments for the next three years.*

Appropriation 2 (c) – Livestock Industry Development Assistance

The Livestock Industry Development Assistance (LIDA) fund was used to support strategic activities, which fostered the sustainable expansion of the beef sector within the livestock industry. In particular, the \$1.0 million LIDA fund supported the strengthening and stabilization of beef sector incomes by facilitating the development of new markets and clients for livestock and meat products.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To provide producers and processors with targeted financial and operational support to foster the sustainable expansion of all parts of the livestock industry.

Livestock producers will realize increased stability in their incomes with more market options.

- A total of \$45.0 was provided to Natural Prairie Beef Inc. to complete a business and marketing plan for a federally-inspected cattle slaughter and meat processing plant in Manitoba. The marketing component focused on the development of a product brand for Manitoba beef.

Processors will increase their profitability by accessing a secure and stable supply of animals.

- The pilot project for the traceability of farm animal movement from farm to retail outlet contracted through IBM Canada Ltd. was completed during the 2007/08 year.
- The province entered into an agreement with the federal government to participate in the Facilitating the Disposal of Specified Risk Materials (SRM) Initiative. In 2007/08, \$375.0 was provided to RES/OP Technologies Inc. for research and development activities related to Orverter technology, \$19.0 was provided for an environmental and engineering analysis on a proposed livestock disposal site in Dauphin and \$14.3 was provided toward a feasibility study/engineering analysis for a municipally-owned incinerator for the Town of The Pas/RM of Kelsey/Berscheid Meats.

Increased activity in secondary and tertiary processing.

- \$3.3 was provided to D.A.L. Meats for a feasibility analysis and business plan for the expansion of their meat processing operations.

Objective 2:

To strengthen and stabilize sectoral incomes by facilitating the development of new markets and clients for livestock and meat products.

Livestock production will be increasingly diversified and will grow at a sustainable rate.

- Two industry-wide consultations took place in 2007/08 exploring the possibility of establishing a province-wide Manitoba Buy Local program.

2 (c) Livestock Industry Development Assistance

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Grants/Transfer Payments	585.1	1,000.0	(414.9)	1
Total Sub-Appropriation	585.1	1,000.0	(414.9)	

1. *The variance in Livestock Industry Development Assistance is mainly due to fewer than anticipated feasibility studies undertaken and less than anticipated program sponsored client activity.*

Appropriation 2 (d) – Farmland School Tax Rebate

MASC assumed responsibility for the administration of the Farmland School Tax Rebate (FSTR) in 2005/06 from Manitoba Finance. The 2007 program provided a rebate of 65 per cent of the school tax paid on Manitoba farmland. This was an increase from the 2006 rebate of 60 per cent. Landowners have three years to apply for their rebate. The full cost of the program is paid by the Manitoba government.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To foster increased equity among rural landowners in support of educational costs.

A more equitable distribution of local education costs.

- Rebating 65 per cent of the school taxes levied on farmland is a significant move towards a more equitable distribution of school taxes among landowners. The Manitoba government has committed to increasing the rebate to 80 per cent by 2010.

Objective 2:

To foster greater net farm income by reducing costs.

An increase in net farm income.

- In 2007/08, FSTR costs, including year-end adjustments, totalled \$27.9 million. As of March 31, 2008, MASC had processed over 28,800 applications for the 2007 program, with total rebates in excess of \$24.3 million.

Objective 3:

To minimize the administrative requirements for applicants.

- Pre-printed application forms for the current tax year were sent to all landowners who had received a rebate in the previous year, which significantly reduced the time that applicants needed to take in completing the required forms.

2 (d) Farmland School Tax Rebate

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	
Grants/Transfer Payments	27,922.5		28,800.0	(877.5)	
Total Sub-Appropriation	27,922.5		28,800.0	(877.5)	

Appropriation 2 (e) – Less: Recoverable from Rural Economic Development Initiatives (REDI)

The primary objective of this program is to provide for the recovery of expenditures related to: Livestock Industry Development Assistance program; and funding support to Manitoba Agricultural Services Corporation (MASC) related to the Rural Entrepreneur Assistance and the Community Works Loan programs, from the Rural Economic Development Initiative program.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To facilitate the funding necessary to provide producers and processors with targeted financial and operational support to foster the sustainable expansion of all parts of the livestock industry.

Objective 2:

To strengthen and stabilize sectoral incomes by facilitating the development of new markets and clients for livestock and meat products.

Objective 3:

REDI programs such as the Rural Entrepreneurial Assistance Program (REA) and the Community Works Loan Program (CWLP) allow access to capital that is vital to new business start-ups, expansions and the purchase of existing businesses. Small and home-based businesses are especially important to the growth of rural communities.

Provision of the necessary funding for the delivery of the Livestock Industry Development Assistance, Rural Entrepreneur Assistance and the Community Works Loan programs to meet the requirements of rural and northern Manitoba.

- A total of \$45.0 in funding was provided to Natural Prairie Beef Inc. to complete a business and marketing plan for a federally-inspected cattle slaughter and meat processing plant.
- A total of \$411.3 in funding was provided to participate in the Facilitating the Disposal of Specified Risk Materials (SRM) Initiative.
- A total of \$3.3 in funding was provided to D.A.L. Meats toward a feasibility analysis and business plan for the expansion of their meat processing operations.
- A total of \$77.1 was provided to complete a pilot project on traceability of farm animal movement from farm to retail outlet.
- A total of \$25.5 in funding was provided for two industry-wide consultations exploring the possibility of establishing a province-wide Manitoba Buy Local program.
- A total of \$654.8 in funding was provided for the salaries, operating costs and bad debt provision for the Rural Entrepreneur Assistance Program.
- A total of \$105.2 in funding was provided for interest costs for existing loans under the Community Works Loan Program.

2 (e) Less: Recoverable from Rural Economic Development Initiatives

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2007/2008 \$(000s)	2007/2008 FTEs \$(000s)	Over/(Under) \$(000s)	No.
Recoveries	(1,345.1)	(1,598.2)	253.1	1
Total Sub-Appropriation	(1,345.1)	(1,598.2)	253.1	

1. *The reduced recovery from Rural Economic Development Initiatives is primarily due to less expenditures under the Livestock Industry Development Assistance program partially offset by an increase in Rural Entrepreneurial Assistance loan guarantee provisions due to increased program activities resulting from program enhancements.*

Appropriation 3

Agri-Industry Development and Innovation

The Agri-Industry Development Division includes the following knowledge centres: Livestock Industry, Crop Industry, Land Use Planning, Agri-Environment, Chief Veterinary Office/Food Safety, and Agri-Food Innovation and Adaptation. The division also provides joint oversight, along with Manitoba Labour and Immigration, for the Farm Safety Coordinator.

The knowledge centres provide technical support, leadership, specialized services and information to staff, producers, and industry to enhance the development of Manitoba's agri-food industry and rural economy. They develop and extend leading-edge knowledge in specialized areas that also provide advice on the control and prevention of crop and livestock diseases. They administer the various laboratories and programs including the veterinary and crop diagnostic laboratories, as well as providing advice and professional support in the areas of agronomy, livestock production, veterinary science, food safety, environmental sustainability, diversification, research, innovation and adaptation. The knowledge centres provide liaison and co-ordination of research with provincial and federal agri-food research agencies.

Agri-Food Research and Development Initiative

This initiative provides funding for an agriculture development and research initiative aimed at enhancing diversification and value-added opportunities in Manitoba's agri-food sector.

Agricultural Sustainability Initiative

This initiative provides funding assistance and support to provincial and local organizations to encourage the adoption of sustainable agricultural practices.

Grants to the University of Manitoba and the Prairie Agricultural Machinery Institute

These grants provide funding in support of agricultural research.

Appropriation 3 (a) – Livestock Industry

The mandate for the Livestock Knowledge Centre (LKC) is to further develop the primary and secondary livestock industries in Manitoba through support in the areas of farm production, business development and disease diagnosis. Responsibilities of the knowledge centre are provincial, national, and international in nature. The structure of the LKC includes three sections:

- Farm Production Extension (FPE)
- Industry Focus (IF)
- Veterinary Diagnostic Services (VDS)

The FPE section provided livestock programs, support, expertise and resources in livestock production and animal health to Growing Opportunity (GO) teams, producers, veterinarians, industry groups and other stakeholders.

The IF section worked with GO areas, other knowledge centre Business Development Specialists, industry groups, processors, stakeholders and others to expand both primary production and secondary livestock industries in Manitoba.

The VDS section operated the Veterinary Diagnostic Services Laboratory, providing diagnostic testing for Manitoba veterinarians supporting the livestock industry and companion animals across the province. In addition, the VDS Laboratory also completed surveillance testing for foreign animal and reportable diseases for a variety of species.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To enhance environmentally sound, sustainable growth, development, diversification and productive capabilities of livestock producers and processors in all areas of Manitoba, including northern and Aboriginal communities, by providing technical, business and specialized services along the agri-food continuum.

Acquisition, evaluation, development and transfer of leading-edge information to the department and livestock industry through:

- *Reviewing and evaluating current information*
- *Developing and assisting research projects on relevant issues*
- *Seminars*
- *Fact sheets*
- *Manitoba government website*
- *Newsletters*
- *Individual consultation*

Preparation and distribution of three Nutrition Update newsletters.

Delivery of Beef Week seminars to over 1,500 beef producers across the province.

Updated references to regulations in the "Living with Livestock Production" fact sheet series and preparation and distribution of four "Swine Update" newsletters.

Delivery of the provincial swine seminar to 400 individual producers.

- Delivered over 55 presentations on a wide variety of topics including Surviving Tough Times (swine), Nutrition and Fertility (dairy cattle) and Winter Feeding Strategies (beef cattle).
- Wrote and/or edited 12 new fact sheets.
- Prepared and distributed three *Nutrition Update* newsletters to MAFRI staff, rural veterinarians and the feed industry.
- Wrote five articles on various aspects of dairy cattle nutrition for distribution to Manitoba dairy producers through Manitoba Milk Producers' monthly newsletter.
- Co-ordinated and wrote production articles for Manitoba Cattle Producers Association's newspaper, *Cattle Country*.
- Updated references to regulations in the *Living with Livestock Production* fact sheet series.
- Updated the *Cost of Production Guidelines* for swine, dairy cows and dairy heifers.
- The 2008 Beef and Forage Days seminars had over 700 attendees at five locations.
- The 2008 Manitoba Swine Seminar had a record attendance of 443 people.
- The 2007 Brandon Hog Days attracted over 1,000 participants.
- The 2007 Manitoba Feeder Schools had 165 attendees at four locations.
- The 2007 Manitoba Grazing School had 450 registrants.

- Organized the Tri-Provincial Manure Management Conference held in Winnipeg from June 25-27, 2007. Approximately 165 participants heard expert speakers and attended tours and workshops on leading-edge sustainable production livestock practices.

Delivery of appropriate training and assistance to livestock producers, agri-business and staff in developing rations which utilize Manitoba feedstuffs, where appropriate, to meet nutritional and production goals.

- Ration requests are completed and responded to within 48 hours. In 2007/08, staff provided over 300 rations to Manitoba livestock producers.
- To support ongoing beef ration formulation, producers and staff are taught to effectively utilize the Cowbytes Ration Formulation software with the intent of encouraging self-reliance. In 2007/08, four training workshops were delivered to beef producers.
- Technical support to staff is ongoing on an as-requested basis.
- Participated in the Best Management Practices for Manure Management on Forage Land research project. This is a co-operative effort between MAFRI and the departments of Animal Science and Soil Science at the University of Manitoba.
- Co-ordinated four meetings among beef researchers in Western Canada to facilitate information-sharing and research co-operation. Participants included the University of Manitoba, AAFC Brandon Research Centre, Western Beef Development Centre and the Semiarid Prairie Agricultural Research Centre.
- Participated in project with Manitoba Conservation and industry partners investigating manure centrifuge technology.
- Participated in industry-led research trials involving swine lactation feed and weaning age.
- Assisted with the preparation of a loose sow housing proposal.

Responsible and environmentally sustainable expansion of the livestock industry in Manitoba through participation in the Technical Review Process for Intensive Livestock Operations for 16-20 proposals for livestock operations.

Distribution of approximately 40 functional layout plans for livestock production facilities, including cattle handling facilities, throughout the province.

- LKC engineering staff in western Manitoba participated in all meetings of the Technical Review Process for Intensive Livestock Operations. Other LKC specialists are often contacted to provide specific technical information as part of the review process.
- Distributed approximately 40 functional layout plans for livestock production facilities, including cattle handling facilities, throughout the province.
- LKC engineering staff have provided plans for livestock production facilities as required for producers across the entire province. Many of these are to accommodate changes as the industry evolves; e.g. evaluating options for the barns that are no longer needed for the equine ranching industry.

A federal/provincial plan in place for ruminant animals in case of any future border closure related to Bovine Spongiform Encephalopathy (BSE), or other factors.

- The provincial Beef Feeder Cattle Specialist continues to participate in the federal/provincial beef roundtable to develop contingency plans to address this issue. The sensitivity of a positive BSE result is no longer as serious a marketing issue, as there is confidence in the Canadian surveillance and mitigation process should there be a positive case.

- The LKC's VDS laboratory is testing for BSE and other Transmissible Spongiform Encephalopathies (TSEs) as part of the national surveillance program.

Responses to inquiries from all areas of the livestock industry on brand-related and livestock identification issues.

- The LKC maintains the registration and database for livestock brand registrations.
- All inquiries regarding brand issues by the industry have been responded to and resolved.

Delivery of 12 producer seminars on marketing and cattle cycles.

- The LKC specialists are involved in the delivery of marketing information to producers. As part of the extension program, marketing information was delivered at 12 seminars across Manitoba.

There are 98 livestock dealers and 90 dealers agents licensed to purchase cattle in Manitoba. Visits to all 13 livestock auction marts three times to ensure buyers are licensed. Sale of approximately 600 livestock manifest books, required when transporting any kind of livestock.

- There were 106 livestock dealers and 99 dealers agents licensed to purchase cattle in Manitoba in 2007/08.
- All 13 livestock auction marts were inspected three times to ensure buyers are licensed.
- There were sales of approximately 600 livestock manifest books, required when transporting any kind of livestock.

Development of on-farm biosecurity and emergency preparedness plans for a disease outbreak such as avian influenza in co-operation with poultry producer associations.

- LKC is co-operating with the Chief Veterinary Officer (CVO) and other federal/provincial departments and producer organizations in an ongoing process to develop and implement this program.

Delivery of five poultry producer seminars.

- Five poultry producer seminars were delivered to address the production management issues of the industry.

Recommendations on how to better manage dry poultry manure storage structures.

- A great deal of time and effort has been invested in developing appropriate recommendations. This work is ongoing and includes the monitoring of poultry farms and working closely with individual producers.

Continued trials on how to improve winter ventilation of poultry facilities to ensure animal health and care.

- LKC staff continue to perform cutting-edge research and development on barn ventilation in co-operation with producers, and are being widely recognized for the significant progress being made.
- Two ventilation workshops for producers were held, an online course was developed and is operational, and the work continues.

Development of an environmentally-sustainable method of composting end-of-lay hens outdoors under Manitoba conditions.

- This has been accomplished, extension materials developed, regional producer meetings have been held, and it is now in the hands of producers.

Additional Results:

LKC specialists provide valuable policy information on a wide range of livestock-related issues. In 2007/08, the issues included:

- Hog industry pause
- Traceability (beef and swine)
- Development of the *State of the Manitoba Pork Industry* document.
- TB risk management: Staff continued their involvement in tuberculosis risk management in conjunction with the Manitoba Task Group for Bovine Tuberculosis and the Riding Mountain Eradication Area (RMEA). Work continued with the livestock guardian dog program and the placement and fencing of feed areas. Four presentations were made to Riding Mountain producers.
- A program was designed to provide a mustering or presentation fee for producers to present their animals for TB testing. Producers that had their animals tested in the 2006 and 2007 testing years were eligible for a \$6.00 per head mustering fee from the province.
- The evaluation of a variety of premises registration options available in Manitoba. The final report was submitted in March 2008.

Objective 2:

To enhance demand for Manitoba livestock and their products by providing information and programs to the livestock industry to improve and verify the quality and health of their animals, including usage in the nutraceutical and functional food markets.

Delivery of planning and business development information at both producer seminars and on an individual basis.

- Business development information has been included as a part of all producer meetings participated in by LKC business development staff, along with the offer of individual consultations.

Assistance to the swine industry in developing new slaughter capacity.

- LKC staff have worked and will continue to work closely with the Manitoba Pork Council and other government departments and provincial and municipal agencies to address this issue.
- Staff have provided input for the various proposals and the subsequent plans to expand the swine slaughter capacity in Manitoba.

Advice to livestock producers on managing the impacts of corn countervail duties.

Advice to producers on the swine trade issue (country of origin labeling - COOL) that may have negative trade implications with the U.S.

- LKC staff have worked closely with the Manitoba Pork Council on this issue as it has developed. Among other considerations, COOL has resulted in a drastic reduction in the U.S. market for Manitoba weanlings.
- A website to link producers in Manitoba with empty barns to producers with surplus weanlings has been developed.
- The development of an agreement with the Manitoba Pork Council and Winnipeg Harvest to use sows from the federal cull sow program as a food source for Winnipeg Harvest.

Movement of bison meat from the First Nations market station into nursing stations and community kitchens for health and nutritional benefits.

- Discussions are ongoing and will continue with First Nations and northern communities through the Northern Healthy Foods Committee on how best to achieve this.

Development of a bison market station which will increase economic returns to First Nation bison herds, expand the seed stock herds for First Nations, and expand meat markets into the north, as well as Europe.

- The bison marketing station is in operation and approximately 275 bison are on-site from the First Nations bands that are participating in the project.
- LKC staff use the marketing station to promote production management, livestock handling, disease control and marketing with participants from the various First Nations communities that raise bison.

Development of Made in Manitoba bison products as well as branded bison products unique to Manitoba.

- Business Development staff are working with the Manitoba Bison Association to develop this initiative.

Development of a business plan that will attract investors and support local provincial plants wishing to update their status to federal or possibly EU kill and processing standards.

- There has been very little interest from the private sector in developing an EU plant in Manitoba at the present time, given the competitive nature of the industry.

Processing of export permits required for shipment of chicks and poults to Minnesota and other U.S. states.

Inspection of 64 hatchery supply flocks on 42 farms to ensure Manitoba poultry meets domestic and international requirements in support of \$6 million of chick and poultry exports to the U.S.

- Manitoba annually exports to the U.S. leghorn chicks, turkey poults and hatching eggs with a market value of approximately \$6 million.
- Manitoba annually exports approximately 10 per cent of our turkey production, or 1.2 million kilograms, of live turkeys to the U.S. To enable these exports to take place, 62 hatchery supply flocks on 42 farms are inspected annually to ensure Manitoba's poultry industry meets both domestic and international health requirements.

Assistance to the Manitoba Goat Association in developing their HACCP-based food safety program and consumer health education.

- The Business Development Specialist - Sheep and Goats has devoted significant time and effort meeting with the retailers, processors and several ethnic groups to promote availability and consumption of inspected meat products.
- There was and continues to be widespread consumption of uninspected meat products, partly due to cost and availability of inspected product, and partly due to a lack of awareness of the health implications of consuming uninspected meat products. Progress is being made in both retail availability of inspected meat products and in consumer awareness.

Implementation of the Milk Quality Assurance program by developing a safety-based, milk production management program.

- Manitoba's Milk Quality Assurance program is being carried out by the Dairy Farmers of Manitoba.
- The Business Development Specialist - Dairy is involved in working with dairy producers to troubleshoot dairy management problems to ensure safe milk production.

The establishment of an aquaculture producer association and provision of resources to assist producers to establish a business.

- A producer association – the Manitoba Aquaculture Producers Association – is now in place. The aquaculture specialist is working hard to both increase the numbers of members of the association, and to increase the size and scope of the fish farming industry.
- The Business Development Specialist (BDS) Aquaculture is working with all industry players in order to provide potential producers, financial institutions, and other government departments and agencies with assurance that the industry is financially viable in Manitoba, that it will meet environmental regulations, and also to provide a training venue for potential producers.
- LKC staff are working with other government agencies and funding organizations to establish a model land-based fish farm in Manitoba. The model would showcase the production management, record production and capital costs for budgeting and monitor for environmental management. It would be used to further develop the industry in Manitoba.

Provision of appropriate training and assistance to livestock producers, veterinarians and staff in developing animal health programs including those for Johnes and prevention of bovine tuberculosis (TB).

- Staff continued their involvement in tuberculosis risk management in conjunction with the Manitoba Bovine Tuberculosis Task Group and the Riding Mountain Eradication Area (RMEA). Specific activities included:
 - Fencing of winter feeding areas for nine producers in the summer of 2007.
 - Placing livestock guardian dogs with 11 co-operating livestock producers in the RMEA and monitoring the dogs' movement at two sites using GPS collars.
 - Ongoing consultation with producers and industry stakeholders through: two public meetings in Gilbert Plains and Rossburn to discuss TB management programs; conducting on-farm risk assessments; visiting with 14 producers regarding management for TB and developing new strategies to reduce risk of transfer; and working with multiple groups including Manitoba Cattle Producers Association, Manitoba Conservation and Parks Canada.
 - Designing a program to provide a mustering fee for producers presenting their animals for TB testing. Producers that had their animals tested in the 2007 test year were eligible for a \$6.00 per head mustering fee from the province.
 - Active involvement in the TB task group, the TB stakeholders advisory committee and the TB scientific review committee.

Additional Results:

The LKC provided technical support to the beef and dairy organic industries in 2007/08.

- Individual ration advice was given to organic dairy producers and producer meetings were attended.
- An organic beef workshop was organized.
- The LKC staff provided support to the Manitoba Grass Fed Beef Association through the appointment of the Farm Production Extension (FPE) Cow-Calf Specialist as a technical advisor. This involved a two-week trip to Argentina as part of an eight-person Argentina technology transfer mission.

Objective 3:

To enhance animal health in Manitoba by providing accurate, timely and affordable veterinary diagnostic services through the provincial Veterinary Diagnostic Services Laboratory and supporting veterinary rural practice through administration of the Rural Veterinary District Program, Large Animal Veterinary Retention Program, Veterinary Science Scholarship Fund and Veterinary Student Program.

The Veterinary Diagnostic Services Laboratory will be expanded to add capacity to be able to do additional testing to meet the demands of a foreign animal disease (FAD); e.g. avian influenza.

- In preparation for the anticipated arrival of highly pathogenic Asian H5N1 influenza into North America, VDS is proceeding with upgrades to the laboratory with the design and planned construction of an FAD laboratory space and enlargement of the accessioning area. This expansion necessitated relocating diagnostic bacteriology to the second floor of the Agricultural Services Complex.
- The first phase of renovation has been completed with an expected completion of the entire renovation by the end of September 2008.
- Five virology section staff have been trained in FAD testing by the Canadian Food Inspection Agency (CFIA).
- A quality assurance officer has been recruited to lead the process of achieving ISO 17025 accreditation, which is required to conduct FAD testing procedures.

In the Veterinary Diagnostic Services Laboratory, provision of 173,000 diagnostic tests and professional reports on 17,900 cases to support rural and urban veterinarians. Completion of 4,000 Transmissible Spongiform Encephalopathies (TSE) tests in bovine, sheep and cervids, and completion of 800 additional tests in support of various disease surveillance programs (avian influenza). Generation and administration of revenue from diagnostic services of \$1,343.0.

- The laboratory received 21,437 cases and performed 178,025 tests in 2007/08 with revenue of \$1,505.4. Compared to 2006/07, the number of cases and tests were down slightly from 21,832 and 185,738 respectively, but revenue was increased from \$1,486.2.
- Increased revenue was due to laboratory fee increases for companion animal testing and on selected tests for food producing animals.
- A total of 5,549 tests were performed in the TSE laboratory. In the first quarter of 2008, BSE submissions have increased 32 per cent over the same time period last year.
- A total of 594 tests for bovine tuberculosis surveillance were performed on behalf of CFIA.
- A total of 955 surveillance tests were performed for avian influenza on wild and domestic birds.
- Approximately 2,000 tests were conducted to determine the prevalence of ovine progressive pneumonia in conjunction with the office of the Chief Veterinary Officer.
- A total of 65 samples were tested for anthrax.

Along with the CVO, administration of The Livestock and Livestock Products Act, The Livestock Industry Diversification Act, The Animal Liability Act, The Veterinary Services Act, The Veterinary Science Scholarship Fund Act, and associated regulations.

- Staff from the LKC work closely with the CVO staff in all aspects of the acts noted above.

Provision of work experience and funds to encourage the return of veterinary students to a rural practice after graduation.

- Large Animal Veterinary Retention scholarships: Scholarships of \$5,000 were given to ten Manitoba students in their third or fourth year at Western College of Veterinary Medicine (WCVN). In return for each \$5,000 award received, the recipient has agreed to work for one year in a rural Manitoba veterinary clinic.
- Veterinary Science scholarships: Nineteen Manitoba students at the WCVN were awarded \$1,100 in 2007/08. This can be written off over five years through employment in a rural Manitoba veterinary

clinic.

- Thirteen veterinary students were successfully placed with veterinarians for summer employment through the STEP program (Summer Temporary Employment Program).

Requisition of appropriate grants and supervision of 27 public animal hospitals (clinics) to ensure that Veterinary Services Districts meet their commitments.

- LKC staff attended meetings of the Veterinary Services Commission (VSC) and advised as to government acts, regulations and/or any changes that may apply in order to properly manage the veterinary services program across Manitoba.
- Assisted the VSC with the dispersal of the Veterinary Technical Enhancement Grant. In 2007/08, the grant was for \$200.0 and varying amounts were allocated to the 27 Veterinary Services Districts.
- Worked directly with the Veterinary Services District boards and the Veterinary Services Commission to address local issues in the delivery of veterinary services to their communities.
- Provided technical assistance to the Veterinary Services Task Force. Participated in task force meetings, made presentations at five public consultations and helped compile the resulting information. The task force has been established by the Minister to review and make recommendations on veterinary services in Manitoba.

Additional Results:

- The Livestock Knowledge Centre staff is actively involved in research projects for the benefit of Manitoba livestock producers. This involvement takes many forms including evaluation of project proposals submitted to Agri-Food Research and Development Initiative (ARDI), Manitoba Rural Adaptation Council (MRAC) and other agencies, developing proposals and co-operating with research stations such as the University of Manitoba and the Agriculture and Agri-Food Canada Brandon Research Centre.

3 (a) Livestock Industry

Expenditures by Sub-Appropriation	Actual	Estimate 2007/2008 FTEs	Variance Over/(Under)	Expl. No.
	2007/2008 \$(000s)		2007/2008 \$(000s)	
(1) Salaries and Employee Benefits	4,390.6	65.55	4,332.1	58.5
(2) Other Expenditures	1,949.4		1,775.0	174.4
(3) Grant Assistance - Operating				
-Grants/Transfer Payments	533.8		494.9	38.9
(4) Grant Assistance - Capital				
-Grants/Transfer Payments	200.4		200.0	0.4
Total Sub-Appropriation	7,074.2	65.55	6,802.0	272.2

Appropriation 3 (b) – Chief Veterinary Office/Food Safety

The overall objective of the Chief Veterinary Office (CVO) / Food Safety (FS) Knowledge Centre is to protect animals, food and people through five strategic goals:

- To protect the health of the public from diseases of animals that can pass directly or indirectly from animals to people;
- To protect the safety of the food supply from farm to fork, to safeguard the health of Manitobans and to justify confidence in Manitoba's food system at home and abroad;
- To protect the health and welfare of animals for economic or intrinsic benefit;
- To protect trade in agricultural products through health certification and assurance programs; and
- To ensure a secure food supply for Manitobans in the event of a massive disruption in the food distribution system.

The CVO/FS Knowledge Centre is also mandated to provide effective administration of the following acts, associated regulations and funds: *The Dairy Act, The Livestock and Livestock Products Act, The Livestock Industry Diversification Act, The Animal Liability Act, The Animal Diseases Act, The Animal Care Act*, and the Veterinary Science Scholarship Fund.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To protect the health of the public from diseases that can pass directly or indirectly from animals to people.

Co-ordinate issues involving zoonotic diseases among provincial departments of agriculture, health and conservation.

- Participated in a successful avian influenza (AI) field exercise through our involvement in the Foreign Animal Disease Emergency Support (FADES) agreement and participated in the Joint Federal/Provincial AI Steering Committee.
- The Zoonotic Diseases Steering Committee met four times and is chaired by the Chief Veterinary Officer (CVO). The Zoonotic Diseases Steering Committee was established in 2006. It is comprised of Manitoba Health and Healthy Living, Manitoba Agriculture, Food and Rural Initiatives (MAFRI), and Manitoba Conservation, with additional representatives from Workplace Safety and Health (WSH) and the Canadian Food Inspection Agency (CFIA).
- Submitted two articles to the *Canadian Veterinary Journal (CVJ)* in relation to the zoonotic roundworm of raccoons.
- Investigation of an outbreak of *psittacosis* in domestic pigeons; manuscript and report in preparation.
- Actively participated in the National Production Limiting Diseases of Livestock *Mycobacterium avium* ss *paratuberculosis* survey in dairy cattle. Johne's disease in cattle has been epidemiologically linked to Crohn's disease in people.
- Initiated early discussion with public health agencies on surveillance for Methicillin-resistant *Staphylococcus aureus* (MRSA) in swine.
- Followed up laboratory reports of *Salmonella enteritidis* (SE) flocks tested under the national hatcheries program.

- Conducted disease investigation into SE test positive poultry breeding flocks. Staff continue to work closely with the Canadian Food Inspection Agency (CFIA) and will monitor this situation.

Minimize threats of animal diseases being transmitted to humans and other animals.

- Mapped areas in Winnipeg inhabited by raccoons infected with *Baylascares procyonis*, a disease zoonotic to humans.
- Conducted initial survey for the prevalence of *Maedi-Visna* virus in Manitoba sheep flocks in co-operation with Livestock Knowledge Centre. A manuscript for the CVJ is in preparation as is reporting of results back to the Manitoba sheep industry.
- Animal identification in the national sheep industry has allowed for national co-ordination of trace back from ear tags at slaughter to several Manitoba herds. Animals from these herds were condemned at slaughter for *Cysticercus ovis*, which is the intermediate stage of the dog tapeworm *Taenia ovis*. Client education and diagnostic testing is being initiated on the suspect farms.
- Developed and enhanced disease investigation capabilities to assist veterinary practitioners and livestock producers. Five field cases were investigated in the previous 12 months, two of which had potential human health concerns. Cases investigated include a case of *psitticosis* and a case of lead poisoning in adult ruminants.

Implement the federal enhanced specified risk material (SRM) feed ban in co-operation with other governments and industry.

- Developed funding agreement with Agriculture and Agri-Food Canada (AAFC) to assist Manitoba's beef processing, rendering and related by-product and waste disposal industries in adapting to the new enhanced feed ban regulations.
- Developed application and guidelines for the Manitoba Specified Risk Material Initiative (MSRMI).
- Assisted with the administration of the MSRMI.
- Provided assistance to industry on applying for funding under the MSRMI.
- Provided assistance to industry in complying with enhanced feed ban regulations.

Additional Results:

Develop emergency mass livestock mortality disposal plan.

- Co-chaired a federal/provincial/municipal (F/P/M) Mass Disposal Site Selection Committee with CFIA.
- Developed GIS-based risk maps, site selection criteria.
- With CFIA, MAFRI held three information sessions for the Association of Manitoba Municipalities (AMM) members in Portage la Prairie, Lundar and Dauphin.
- Staff contributed to six scientific publications in peer-reviewed journals on a range of animal health and welfare topics.

Objective 2:

To protect the safety of the food supply from farm to fork, to safeguard the health of Manitobans and to justify confidence in Manitoba's food system at home and abroad.

Inspect all dairy farms and licensed dairy processing facilities to ensure adherence to sanitation and production/processing requirements and to ensure all pasteurized dairy products are processed according to regulations.

- A total of 610 dairy farm inspections were completed.
- A total of 30 dairy plant inspections were completed.
- A total of 15 bulk milk tank truck inspections were completed.

Register all milk producers and license all dairy processing plants and key dairy processing personnel in Manitoba.

- A total of 418 registered dairy farms were inspected at least annually by the province for compliance to *The Dairy Act* and regulation.
- There are seven buttermakers, 23 cheesemakers, 49 milk pasteurizers, 55 milk receivers, and 75 bulk milk graders currently licensed in the province.
- There are 15 licensed dairy plants in the province.
- Provided a four-day milk pasteurizer course in co-operation with the University of Manitoba.

Assure consumers that Manitoba products are safe, high quality products.

- Staff responded to consumer enquiries regarding safety of food products.
- National groups have developed or are developing 30 national Hazard Analysis Critical Control Point (HACCP)-based on-farm food safety programs. Staff participated in the development of the pork, bison, sheep and goat programs, and implementation plans for pork and turkey.
- Ten of the 30 programs have been reviewed and deemed technically sound by CFIA and the provinces. Staff participated in technical reviews for chickens, eggs, broiler hatching eggs, feed, bison, potatoes, small fruit, pork, cattle (2), dairy, grain, turkeys, herbs and spices and natural health products.
- Co-ordinated the provincial funding for Canadian Partnership for Consumer Food Safety Protection Education (CPCFSPE) and distributed educational material for this initiative.

Increase participation by producers in recognized on-farm HACCP-based food safety programs.

- Approximately 90 per cent of the pork producers in Manitoba are on the Canadian Quality Assurance (CQA) Program.
- There are 46 dairy farms that are registered on the Canadian Quality Milk (CQM) Program and 350 have completed their standard operating procedures and treatment records; however, they are not validated.
- Approximately 98 per cent of the egg producers are on the Start Clean-Stay Clean on-farm food safety program.
- Approximately 98 per cent of the potato producers in Manitoba have implemented and have been audited on their compliance to the national on-farm food safety program for potato production.
- There are currently 109 of 119 broiler producers certified under the On-Farm Food Safety Assurance Program (OFFSAP). Of the remaining ten, eight are near certification and two are scheduled to be audited by the end of July 2008.

- There are currently two of 26 broiler breeder producers certified on OFFSAP. All producers are scheduled to be audited by the end of the year.
- Ten on-farm food safety and flock care audits were completed. Department staff were also involved in the training of turkey producers for the program.

Development of harmonized regulations and codes for food safety with other governments.

- Participated in the Federal/Provincial/Territorial (F/P/T) Working Group for Meat Hygiene.
- Participated in F/P/T Dairy Equivalency Technical Committee.
- Participated in the National Dairy Regulation Committee.
- Participated in the Canadian Food Inspection System Implementation Group (CFISIG) Post-Farm Food Safety Recognition Protocol development.
- Developed Manitoba Dairy Regulation that is consistent with the National Dairy Regulation.

Increase awareness of consumers of Manitoba's agricultural industry and agriculture and food products.

- Staff responded to a wide range of consumer enquiries with their current technical consumer-related knowledge.

Create awareness of industry stakeholders of food safety programs through the Agricultural Policy Framework (APF) food safety initiatives.

- Stakeholder Uptake
By March 2008, 15 per cent of food processors eligible for APF funding had successfully developed good manufacturing practices (GMP), HACCP or International Organization of Standardization (ISO) 22000 food safety programs. A wide variety of commodities participated including meat, grain, seed crushers, beverage, bakeries, confectionary and spices.
- Training
Food Safety Initiative (FSI) staff developed three one-day workshops on GMPs, HACCP and how to write food safety programs. Thirteen workshops were delivered to food industry personnel, MAFRI staff, students, consultants and food service personnel. Staff also developed custom training on request for a number of facilities.
A one-week food safety course was developed by MAFRI and the University of Manitoba and offered to MAFRI, Manitoba Health and Healthy Living staff and City of Winnipeg health inspectors.
A three-day ISO 22000 course was arranged for MAFRI staff.
- Food Safety and Quality Website
The Food Safety and Quality website contains 90 web pages, 23 fact sheets, and four food safety posters.
Statistics for the second trimester of 2007 reported 21,512 web page views.
The complete content of the website was translated into French.
Comments from website users include: "user friendly," "useful and direct links," "good technical information available" and "good reference material for training staff."
- Food Safety and Quality E-bulletin
Monthly notification system containing current food safety news and technical food safety information has been distributed since February 2007.
A total of 220 people subscribe, including MAFRI staff, food processors, consultants, faculty members and students from several universities worldwide.
- Technical Resource Centre
Scientific and technical information for the development of written programs (GMPs and HACCP) was

provided to food processors.

A total of 62 food safety requests received from food processors, consultants, consumers, government staff and academia from universities were answered.

Requests addressed were from Manitoba, other Canadian provinces and other countries including: England, India, Sri Lanka, USA and Singapore.

- **Collaboration With Other Agencies and Associations**

CFIA contributed in the development of the hazard database and HACCP generic modules for sprouts, ready-to-eat vegetables and spices.

Food Development Centre (FDC) developed HACCP plans for two clients.

Canadian Grain Commission contributed in the development of generic HACCP and good operating practices (GOPs) modules for the grain and oil sector.

Manitoba Food Processors Association (MFPA) co-sponsored Food Safety Conference (May 4, 2007) with 160 participants. A similar event is planned for September 2008.

Began to develop a system to recognize provincial food processors that implemented food safety programs that are approved by MAFRI.

Develop on-farm food safety and traceability programs in partnership with provincial commodity groups.

- Staff were trained to be auditors of the national on-farm food safety program for turkey production.
- Staff worked with Manitoba Turkey Producers to develop an on-farm auditing system and to train turkey producers on the national on-farm food safety program.
- Staff conducted ten on-farm food safety and flock care audits and were also involved in the training of turkey producers for the program.

Develop and implement On-Farm Food Safety and Quality Assurance Programs in partnership with CFIA, other governments and industry.

- Participated in two on-farm food safety technical reviews for the Herb, Spice and Natural Health Products Coalition and Canadian Cattlemen's Association.
- Participated in the F/P/T On-Farm Food Safety Committee that is developing the government criteria for recognition of on-farm food safety programs.

Participate in the development of a National Policy on Traceability for Canada's agri-food sector which will allow the tracking of the movement of farm inputs, animals, plant food ingredients and food products from one point in the food chain to another.

- Developed system for premises identification in food processing plants.
- Supplied policy and technical guidance to the National Traceability Task Team, an F/P/T working group on agri-food traceability.

Additional Results:

Inspect elk game production farms and regulate other aspects of the game production industry to ensure stakeholders are adhering to regulatory requirements.

- There are currently 46 elk game production farms licensed in Manitoba.
- A total of 57 elk game-production farm inspections were completed during the fiscal year.
- A total of 1,269 elk were slaughtered in federally-registered and provincially-permitted abattoirs.

Develop risk-based food safety inspection for potential use in non-federally registered food processing plants.

- Reviewed and assessed other jurisdictional risk-based inspection processes for use in Manitoba.
- Consulted with CFIA, the City of Winnipeg, Manitoba Health and Healthy Living, and Manitoba Conservation on the development of a risk-based inspection process/database.
- Signed license agreement with Quebec Department of Agriculture, Fisheries and Food for the use of their risk-based inspection program.
- Staff arranged with British Columbia Centre for Disease Control a two-day risk-based inspection course in Winnipeg for public health inspectors and MAFRI food inspectors.
- Worked in conjunction with Manitoba Health and Healthy Living to develop a single database for food establishment inspection.
- Set up training course for public health inspectors and MAFRI staff on the use of the consolidated food premise and inspection database.

Administer the Canada/Manitoba Meat Inspection Agreement.

- Worked with Manitoba Health and Healthy Living to facilitate the smooth transfer of the meat inspection program to MAFRI.
- Provided inspection services to 28 provincially-registered abattoirs (two poultry, four swine and 22 mixed (cattle, swine, lamb, goat, sheep, bison)).
- Provided information to the entrepreneurs interested in provincial meat inspection system.

Participate in F/P/T initiatives to develop and implement common food safety, traceability and quality goals; e.g. recognition of HACCP equivalency of legislation and inspection programs.

- F/P/T Committee on Food Safety Policy
- Canadian Food Inspection System Implementation Group (CFISIG) Post-Farm HACCP
- CFISIG HACCP subcommittee (Manitoba representative)
- F/P/T working group on SRM Disposal Funding Program
- Enhanced Feed Ban Implementation Task Team
- F/P/M Mass Disposal Site Selection Committee
- On-Farm Food Safety Program Technical Reviews
- F/P/T Agri-Food Inspection Committee (FPTAFIC)
- F/P/T Non-Federally Registered Sector subcommittee
- F/P/T Agri-Food Inspection Committee discussion group on delivery of food during a Level 6 Influenza Pandemic
- F/P/T On-Farm Food Safety subcommittee (Manitoba representative)
- F/P/T Dairy Technical Equivalence Committee (provincial co-chair)
- Canadian National Goat Federation's Canadian On-Farm Food Safety Working Group (technical advisor)
- F/P/T technical review - Canadian Bison Association On-Farm Food Safety Program Committee
- F/P/T technical review - Committee for the Canadian Horticulture Council's On-Farm Food Safety Program
- Federal/Provincial Dairy Committee
- National Liaison Group on Milk Product Quality
- International Dairy Federation (IDF) Canada
- National Dairy Regulation Amending Committee
- Pasteurization Requirements sub-committee
- CFISIG Non-federally Registered Sector Working Group
- Reference Database for Hazard Identification

Develop knowledge management tools to support food safety education and inspection programs.

- Identified a database with the potential to build a common data management system for various licensing programs and animal welfare.
- Began development of Hedgehog database program for food safety inspection in co-operation with Manitoba Health and Healthy Living.
- Organized the electronic file system in W: drive containing 55,000 files and 5,000 folders.
- Spreadsheet was established to monitor books and reference material available to Food Safety staff.
- Facilitated production of Food Safety display material including display hardware, posters, fact sheets, manuals and brochures. Two thousand posters were distributed through Manitoba Health and Healthy Living public health inspectors. Additional posters were distributed through the Food Safety Initiative (FSI).

Objective 3:

To protect the health and welfare of animals for economic or intrinsic benefit.

Establish surveillance measures for significant livestock diseases in co-operation with the Canadian Food Inspection Agency, and other federal and provincial government departments.

- An enhanced animal disease detection and surveillance system is currently under development. This system links with the Veterinary Diagnostic Services (VDS) Laboratory's diagnostic database and will analyze animal disease trends across space and time in Manitoba. This system will not only provide surveillance of laboratory results as diseases are diagnosed, but will use syndromic surveillance to provide early warning of possible emerging disease threats.
- The disease investigation capabilities noted in Objective 1 also apply here.
- Bovine tuberculosis (TB) in both wild and domestic ruminants continues to plague the agriculture areas around Riding Mountain National Park (RMNP). An on-farm TB risk assessment was conducted in 2007 and is currently being used to assess individual farm risks for bovine TB, especially those that have implemented prevention measures, such as barrier fences and herd guardian dogs. Additionally, there has been considerable interest from partner agencies to see the risk assessment used more fully in the high-risk areas around RMNP. Work is proceeding in this regard.

Create an early warning system for new and emerging diseases of animals.

- Manitoba is continuing to provide national leadership in the Canadian Animal Health Surveillance Network (CAHSN). This system integrates veterinary diagnostic laboratories across the country and is currently active for Bovine Spongiform Encephalopathy (BSE) and AI.

Create emergency response plans related to animal-based emergencies.

- Worked closely in co-operation with CFIA in the testing of a modified atmospheric chamber as a tool for the euthanasia of small pigs in the event of a foreign animal disease (FAD).
- Evaluated methods for humane killing of piglets in the event of an FAD. Information to be shared with national partners in FAD preparedness.

Participate in the development of a national animal health policy.

- Manitoba was also consulted via a meeting in Saskatoon in relation to the Scientific Strategy sub-committee of the developing Animal Health Strategy.

- Provincial Chief Veterinary Officers have assumed more influence and responsibility for the national Farm Animal Health Strategy in the past year and Manitoba has assumed a lead role to facilitate the progress of that initiative.
- The CVO is the provincial co-chair of the F/P/T Council of Chief Veterinary Officers.

Investigate complaints and enforce corrective measures concerning inhumane treatment of animals.

- Investigated 391 inhumane complaints in 2007.
- Successfully prosecuted two cases of animal neglect, five other cases were forwarded for prosecution.

Participate in the development of a national policy on on-farm animal welfare for Canada's agri-food sector.

- Manitoba represented the provincial government on the National Farm Animal Care Council (NFACC), which was established in 2005.
- Staff were active in provincial organizations such as the Manitoba Farm Animal Council (MFAC), Manitoba Pig Welfare Committee and Manitoba Egg Layer Welfare Committee, and national organizations such as the Canadian Veterinary Medical Association (CVMA), and the Animal Welfare Committee.

Manage 1,000 complaints and 300 inspections under The Animal Care Act. Support the RCMP in prosecutions of animal cruelty under the Criminal Code.

- Seven long form prosecutions have been taken forward by Crown Council in the 2007/08 period. In two cases that were resolved during the period, the accused pled guilty (fine \$9.5 horses, fine \$18.0 dogs) and the remainder are before the courts.

Provide a registration and quality assurance system for licensed kennels and pet breeders in Manitoba.

- A random group of kennels was audited in order to evaluate standards across Manitoba.
- Seventeen licenses for kennels and breeding operations were renewed (eight kennel, five hobby breeding, four commercial breeding).

Objective 4:

To protect trade in agricultural products through health certification and assurance programs.

Inspect hatchery supply flocks and facilitate the export of poultry products under the poultry enhancement program.

- Sixty-two hatchery supply flocks were inspected.
- Eight hatcheries were licensed.
- Inspected 117 poultry farms to ensure compliance to safety and quality standards.
- Tested six commercial turkey flocks and trained managers in swab sampling for avian influenza to facilitate export to Minnesota.
- Twelve poultry dealers were licensed.

Objective 5:

To ensure a secure food supply for Manitobans in the event of a massive disruption in the food distribution system, such as during a human influenza pandemic.

- Appointed a federal/provincial/industry (F/P/I) committee to develop a Manitoba emergency food supply management plan.
- Developed project proposal for funding "Manitoba Nutrition Supply in Event of a Pandemic" with the Asper School of Business.
 - Oversaw the project, including:
 - Submitted a request for funding.
 - Located a project manager.
 - Formed a steering committee.
 - Reviewed a final draft.
 - Consulted with industry.
 - Distributed study.
- Developed a proposal for funding for a database with "evergreen" information which would provide information on food availability during a food supply emergency.
 - Submitted project for funding.
 - Located a project manager.
 - Developed software based on Asper School of Business recommendation.
 - Pilot tested software.

3 (b) Chief Veterinary Office/Food Safety

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008	2007/2008		Over/(Under)	
	\$(000s)	FTEs	\$(000s)	\$(000s)	
(1) Salaries and Employee Benefits	1,277.8	18.50	1,385.7	(107.9)	
(2) Other Expenditures	1,282.9		1,396.0	(113.1)	
Total Sub-Appropriation	2,560.7	18.50	2,781.7	(221.0)	

Appropriation 3 (c) – Crop Industry

Farm Production Extension Section

Pest Management group

The production of agricultural and horticultural crops in Manitoba occurs in a short, intense growing season. Taking those commodities to the next phase in processing, or into safe storage, depends on protection from pests. Some pests, such as weeds, need to be managed throughout the season but especially early in the production cycle. Other pests, such as insects and some diseases, appear suddenly and/or increase rapidly and attack at specific vulnerable stages of plant development. Intervention often requires decisive, responsive management. Some pests, particularly diseases, can *only* be managed effectively by forecasting the risk of infection. Otherwise, prevention and prophylaxis are the usual control options. Pests categorized as invasive alien species require vigilance to prevent establishment when they are first detected in Manitoba.

Technical specialists in the Farm Production Extension (FPE) section of the Crops Knowledge Centre (KC) are leaders in evaluation of true risk and clear communicators of appropriate responses. They also train other agricultural professionals in integrated pest management (scouting, monitoring, etc.) and prepare extension resources such as crop protection guides.

Resource Management group

Optimizing crop production depends on careful assessment of soil and moisture conditions throughout the growing season. Extremes of moisture, flooding and drought account for most of the insurable losses in crop production. Soil fertility and crop nutritional requirements are complex – producers regularly seek out unbiased advice in managing these resources (commercial fertilizers and/or animal manures) to an optimal level that nurtures a healthy crop and prevents losses to the surrounding environment.

Technical specialists in the Crops KC's FPE section are leaders in the assessment and interpretation of crop requirements in the disciplines of agrometeorology, soil fertility and crop nutrition, and irrigation management. They are also well integrated with the commodity specialists in the Crops KC and with field staff throughout MAFRI and are regularly engaged in extension. The Manitoba Ag-Weather Program supports such diverse activities as pest risk forecasting and crop residue burning authorizations.

Industry Focus Section

This section is made up of 13 Business Development Specialists (BDS) that have core knowledge and competence in Manitoba's key commodity areas. The section is required to have current knowledge of production techniques and limiting factors as well as the overall market forces that drive the respective commodities. The Industry Focus section consults and works with a large number of provincial and national producer associations and is expected to provide direction and leadership on various issues. Our mandate also includes the support of value-added production / processing in Manitoba and our goal is to make available information such as the location of the raw commodity, the consistency of supply and the specific quality of the commodity being further developed. The overriding factors to consider are profitability and environmental sustainability of agri-food production and processing in Manitoba.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To provide producers, agri-business, GO team staff, other departments and governments with technical information and specialized services that enhance diversification, productivity, environmental sustainability and profitability in Manitoba's agri-food sector.

Financial assistance to municipalities for grasshopper control if needed.

- In 2007/08, only one municipality claimed a grasshopper rebate for \$2.0; however claims are projected to increase in 2008/09. The average annual payment over the last ten years has been approximately \$24.0.

Publication and marketing of 3,500 copies of the most recent issue of the Guide to Field Crop Protection.

- Published and marketed 3,500 copies of the most recent issue of the *Guide to Field Crop Protection*.

Work with the Manitoba Seed Growers Association, Manitoba Crop Variety Evaluation Team (MCVET) and the publisher to develop, co-author and assist in the distribution of 25,000 copies of Seed Manitoba.

- Worked with the Manitoba Seed Growers Association, Manitoba Crop Variety Evaluation Team (MCVET) and the publisher to develop, co-author and assist in the distribution of 25,000 copies of *Seed Manitoba*.

New and updated fact sheets and guides providing recommendations on crop production to growers and crop advisors.

- Topical fact sheets produced were *Clubroot of Brassica Crops* (in English and French), *Ash Anthracnose*, *Brown Stripe (forage grasses)*, *Poplar Rust*, *Rose Rust*, and the *Manitoba Grasshopper Forecast for 2008*.
- Yearly summaries of seasonal reports included the *Weekly Vegetable Report* (in English and French), *Insect Pests of Field Crops in Manitoba in 2007* and *Research Publications in Field Crop Entomology*.
- The *Weed Seedling Identification Guide* was reprinted.
- The *Recommendations for Administering Antibiotics and Acaricides to Honey Bee Colonies* was updated for the 2008 production season.
- Contributed articles to six Prairie Fruit Growers Association newsletters and also the *Prairie Fruit Journal*.
- Prepared ten new fact sheets: *Cost of Production*, *Early Season Insects*, *Business Plans and Feasibility Study*, *Processor Business Plans and Strategic Review for Saskatoons*, *Cultivar Recommendations for Strawberries and Raspberries*, *Frost Damage and Protection in Strawberry and Saskatoon Orchards*, *Fruit Crops for Northern Manitoba Guide to Planting, Growing and Variety Selection*, as well as updated the 2007 and 2008 *Addendum to the Fruit Crop Protection Guide*.

Verbal recommendations to producers and agri-businesses relating to field, forage, horticulture, organic production, medicinal and industrial crops, pasture and range management systems, weed, insect and disease control and soil fertility.

- The following recommendations were made by staff to producers and agri-businesses: Crop Diagnostic Centre, 300; horticulture pathology, 140; horticulture entomology, 500+; potato pests, 150; field crop entomology, 400; weeds, 380; crop nutrition, 270; irrigation, 80; agrometeorology, 120; Minor Use & Regulations, 60; potato production, 250; organic, 800; fruits, 443 phone, 1,400 e-mail and 40 in-person and field visits; leafcutting bee, 60; honey bee, 300; forages, 500; range and pasture management, 300; vegetables, 275; greenhouses, 100; pulses, 600; feed grains, 250; oilseeds, 500.
- Producers and agri-business were provided with timely information, allowing them to make informed decisions that ultimately affect the economic and environmental sustainability of their operations.

- Specialists of the Crops Knowledge Centre are well recognized as leaders and authorities in their sectors and areas of expertise. They are widely sought after for any and all events where sound agronomic practice is the focus. Staff are well aware of current issues that affect key sectors and can provide timely responses to the Minister and her team when questions or crises arise.

Publication and distribution of seasonal bulletins during the growing season.

- For example, in 2007/08 there were 16 Weekly Vegetable Reports, 12 Insect Updates, 11 Crop Diagnostic Lab Reports, >20 Manitoba Crop Reports, >20 Manitoba Commodity Reports, >20 Manitoba Weather Reports and daily postings of the *Potato News* and Fusarium Head Blight (FHB) Risk Forecasts.

A leadership role in the Manitoba Agronomists Conference that hosts more than 200 industry and government crop advisors.

- The 2007 MAC (Manitoba Agronomists Conference) reached an unprecedented 250 participants, selling out to capacity in Winnipeg, serving an additional 15 clients through a remote video feed to Dauphin, and accommodating an additional 50 through an inaugural web broadcast – some who were registered to attend in Winnipeg, although prevented from doing so by weather, were able to plug in via this novel approach.
- The Crops KC was instrumental in the planning and delivery of this event, including presentations by six of its experts – John Gavloski, Phil Northover, Bruce Brolley, Andrew Nadler, Doug Cattani and Rob Park. John Heard continues to serve as the MAFRI co-chair of the MAC.

Technical programs at industry workshops: Ag Days, Potato Production Days, Manitoba-North Dakota Zero Tillage Workshop, Direct Farm Marketing Conference and commodity group workshops (e.g. pulse, corn, forage, buckwheat, canola, sunflower, honey bee, forage seed, flax and organics).

- Staff presented at various industry workshops. Topics targeted and number of workshops are as follows: pathology, 6; ag-met, 8; horticulture entomology, 20; potato pest, 12; weeds, 15; field crop entomology, 25; crop nutrition, 22; irrigation, 5; regulations, 3; potato, 3; organic, 14; fruits, 12; forage seed, 3; honey bees, 12; leafcutting bees, 2; forages, 12; oilseed, 20; and feed grains, 10.
- Short-term measurable outcomes are difficult to attain from this type of extension programming. It does provide information to producers and agri-business on current production challenges and solutions, as well as reinforces basic production recommendations. In addition, it demonstrates and highlights to new/existing producers the resources and expertise available within MAFRI to aid in their production decisions.

Agro maps for use in monitoring, assessing and projecting crop variety adaptation, crop diseases, weed and insect problems, crop yields and quality, as well as other factors.

- In 2007, the maps and other ag-met products generated included:
 - Fusarium head blight risk (FHB) forecasts (June 8 – July 27)
 - Automated weather reports (tabular format), hourly, 24/7
 - *Manitoba Potato News* (tabular), daily through growing season
 - Crop Weather Report (tabular) with Weekly Manitoba Crop Report
 - Rainfall and heat units (total and per cent of normal), relative feed values, periodically
 - Climate maps used to justify expansion of soybean insurable areas
 - Growing season weather and climate maps for *Yield Manitoba*
 - Timely information provided to producers and agri-business allowing informed production decisions based on economic and environmental sustainability

Objective 2:

To provide co-ordinated program development in crop production and pest management.

Field crop diagnostic schools providing field scouting training to 400 agronomists and farmers.

- There were a total of 385 agronomists, producers, staff and students who attended the Crop Diagnostic School.

Potato field days attended by 75 agronomists and 75 farmers.

- The In-Field Potato Agronomy Meetings were held at the Carberry, Winkler and Portage la Prairie Canada-Manitoba Crop Diversification Centre (CMCDC) sites. There was one meeting in May, June, July and August at each of these sites for a total of 12 meetings. The total attendance for all of the meetings at all sites combined was 182 producers, agronomists and potato industry people. The attendance figures do not include MAFRI, CMCDC or PFRA staff who presented at the meetings.

Diagnosis of more than 1,200 crop samples for plant diseases, herbicide injury and insect damage.

- Diagnoses of: plant disease, 530; insect injury, 54; herbicide injury, 77; and abiotic causes, 116.
- Identification of: insects, 24; and weeds, 118.
- In total, 919 unique inquiries.
- The number of samples that are diagnosed in the Crop Diagnostic Centre fluctuates considerably from year to year. While 2007/08 saw just over 75 per cent of the norm (1,200), 2008/09 is already on pace to be at or above that level. Commodity prices have a significant impact on the urgency of pest management decisions and how heavily industry relies on this facility for accurate and timely diagnoses.

Inspection of more than 6,000 bee colonies and 400 honey bee and leafcutting bee samples for diseases.

- We have successfully inspected 5,300 bee colonies for American Foulbrood Disease (AFB) and there were 95 colonies with AFB.
- There were 176 beekeepers sampled for parasitic mites and there were 355 bee samples analyzed.
- A total of 72 per cent of beekeeping operations were found with tracheal mites and 77 per cent of beekeeping operations with Varroa.
- In 2007, as part of the Chalkbrood Inspection Program, MAFRI staff inspected 92 leafcutting bee operations. There were 20 operations that tested positive for chalkbrood.
- Timely information was provided to producers and agri-business, allowing informed production decisions based on economic and environmental sustainability.

Objective 3:

To facilitate and support the development of value-added agri-food processing in Manitoba.

Recommendations and support to producers regarding the management of crop residues and support in developing economic opportunities for utilizing cereal and flax straw.

- Other than providing traditional residue management recommendations to producers based on inquiry, and permits with supporting information, no new economic opportunities have been developed, as this project is in the research stage. Opportunities are being investigated, but current promotion of these new practices is premature.

Establishment of several on-farm, regional and provincial biodiesel crushing facilities by individuals, co-operatives and corporations.

- The Oilseed Specialist contributed 20 work days packaging and presenting information to various groups such as James Richardson International and Strategic Biodiesel United (SBU) regarding their potential establishment of canola crush/biodiesel facilities.

Expanded fruit crop industry such as a number of new commercialized food products, expanded export market to the U.S. and EU and further development of the Prairie Fruit Growers Association (PFGA).

- **New commercialized food products**

Kroeker's Poplar Grove jams (raspberry, a raspberry/strawberry blend and a raspberry/blueberry blend), Winkler, Manitoba.

http://www.fruitandveggie.com/index.php?option=com_content&task=view&id=1663

All other fruit food products are in development at FDC and remain confidential between FDC and their client.

Saskatoon functional food product development – a University of Manitoba Department of Food Science and Richardson Centre for Functional Foods and Nutraceuticals project. Project ongoing, but confidential due to potential private industry partnership.

- **Export Development**

With the passing of John Ritz of Prairie Lane Saskatoons (July 2007), expansion of saskatoon exports into the U.S. and EU has halted. Development of domestic markets continues (local and national).

- **Prairie Fruit Growers Association**

This provincial fruit growers group continues to grow slowly, with younger growers starting up operations. The association membership has a significant female and young farmer segment, at a higher percentage than other commodity associations.

The PFGA continues to play an active role in funding fruit crop research and demonstrations in Manitoba and Western Canada. See below for PFGA-funded fruit research projects.

Maintenance of the current three potato processing facilities with high quality product.

- Support and advice to potato producers, ensuring a supply of high quality product for the current three potato processing facilities.

Organic production increased by 25 per cent over the next year with production of organic flax, wheat, oats and soybeans seeing the largest expansion.

- Organic production increased by >25 per cent.
- Seeded acres of organic flax, wheat, and oats increased from 7,200 acres in 2006 to 10,000 acres in 2007.

Development of a number of greenhouse production systems to offset the need for fresh vegetables in northern communities.

- Two commercial greenhouses were constructed in northern communities (one vegetable and one bedding plant) plus ten small-scale/season extenders greenhouses.

One hundred woodlot management plans completed - eco-tourism encouraged.

- Manitoba Agro Woodlot Program (MAWP) staff completed 81 woodlot management plans on 8,339 acres. Timber had an estimated value of over \$1 million.

Fifty harvest operating plans completed.

Thirty-five woodlot harvests completed and monitored.

- Industrial demand for timber was low due to the declining U.S. economy, rising energy costs, the high Canadian dollar and large volumes of low-cost Mountain Pine beetle-killed B.C. timber. As a result, only 14 landowners harvested timber.

Fifteen agroforestry plantations designed, subject to (hog) industry demand.

One willow biomass plantation established (for agri-energy).

- Tree planting goals were met. One landowner established a five-acre willow biomass plantation with the goal of producing biomass for greenhouse heat. Despite reduced demand from the hog industry, 15 agroforestry plantations were established.

Ten micro-forestry skills training workshops delivered.

- The program exceeded its workshop goals. It organized 14 micro-forestry skills training workshops on topics ranging from chainsaw operation to low impact logging, milling for grade and kiln drying. Participant evaluations were very positive.
- MAWP worked with the Agri-Energy Office to deliver a two-day Biomass Workshop. Over 100 producers, engineers and manufacturers networked and learned about biomass/bio-energy developments across Canada.

Six Wealth in Woodlots presentations.

- The program stopped delivering Wealth in Woodlots promotional workshops in favour of community meetings focused on the need to rejuvenate river bottom forests. This resulted in four new landowner and two new micro-forestry contacts.

Two events or conventions displayed at Ag Days and Conservation District.

- Staff worked the display at the Manitoba Conservation District's convention and Ag Days. MAWP maintained contact with previous clients and had 18 new referrals.

Ten newspaper articles published in rural papers.

- MAWP exceeded its communications goals by having 12 articles printed in provincial and local newspapers.

Additional Results:

- MAWP worked with the Emergency Measures Organization (EMO) to develop a means of using Disaster Financial Assistance to bring wooded pasture back into production following severe wind storms. EMO will try the concept near Lauder in 2008/09.
- Woodlot Specialist, Shane Tornblom, contributed to the writing and editing of Manitoba's Bioproducts Strategy.

Objective 4:

To develop and deliver programming in support of innovation in the agri-food sector.

Expansion of the irrigated land base in Manitoba by 5,000 acres annually through the Irrigation Development Program.

- In 2007/08, irrigation capacity was expanded by 1,260 acres. Program targets are expected to be reviewed in 2008/09.

Contributions to provincial proposals under the Next Generation of Agriculture and Agri-Food Policy for environment, food safety and quality, science and innovation and renewal.

- One science and innovation proposal for the Manitoba Fruit Industry Development Program has been submitted.

Contributed to the development of provincial and Western Canadian strategies in agriculture-related areas such as ethanol, biodiesel, agri-fibre and functional foods and nutraceuticals.

- Various specialists spent ten work days contributing to their respective commodity areas' strategic-planning process. The results from this investment are long-term and cannot be measured at this time.

Technical reviews of proposals to the Agri-Food Research and Development Initiative, Covering New Ground, Manitoba Rural Adaptation Council and the Sustainable Development Innovations Fund.

- Crops Knowledge Centre staff completed 24 Agri-Food Research and Development Initiative, 14 Covering New Ground, 16 Manitoba Rural Adaptation Council, and two Sustainable Development Innovations Fund technical reviews of proposals.

Additional Results:

Administrative actions under The Fruit and Vegetable Sales Act, The Noxious Weeds Act, The Pesticides and Fertilizers Control Act, The Plant Pests and Diseases Act, The Bee Act and The Organic Agricultural Products Act.

- Six verification visits to monitor compliance with an order issued in 2006 (Bacterial Ring Rot (BRR) Regulations under *The Plant Pests and Diseases Act*).
- Nine orders issued for weed inspectors to deal with infractions, under *The Noxious Weeds Act*, that are >\$500.
- One letter of warning related to pesticide drift under *The Pesticides and Fertilizers Control Act* and licence regulations.
- *The Organic Agricultural Products Act* will not take effect until December 14, 2008. As a result, no orders were issued on this act.
- A number of beekeepers were registered in 2007/08; approximately five new leafcutting bee producers and 41 new honey bee producers.
- Bee inspection: a number of beekeeping operations were inspected.
- Sale or interprovincial movement of bees: approximately four Conditional Permits to Sell were issued in 2007/08 and five Reports of Interprovincial Movement of bees.

Provision of daily Crop Residue Burning Authorizations (August 1 to November 15) in accordance with the Crop Residue Burning Regulation (77/95) under The Environment Act and information in response to 3,560 enquiries.

- Daily crop residue burning authorizations were issued based on the forecasted weather parameters for each day. A total of 12,339 calls to the crop residue burning hotline (1-800-265-1233) were received in 2007.
- A total of 505 burning permits were issued to producers in 2007 to allow safe burning of individual fields.
- Staff responded to several hundred inquiries from both producers and the public. There was a wide range of questions; the majority was related to regulation interpretation, permit inquiries, recommended burning practices and general information.
- Producers were able to make crop residue management decisions based on economic and environmental considerations. Health risks to both urban and rural populations were mitigated by this program.
- Permits and allowable burn days are based on environmental conditions with the goal of limiting human exposure to airborne particulates, and allowing safe highway travel.
- Note that the program is only effective if accompanied by appropriate enforcement.

3 (c) Crop Industry

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs	Estimate 2007/2008 \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
(1) Salaries and Employee Benefits	2,203.7	34.58	2,303.7	(100.0)	
(2) Other Expenditures	667.6		724.7	(57.1)	
Total Sub-Appropriation	2,871.3	34.58	3,028.4	(157.1)	

Appropriation 3 (d) – Agri-Environment

The Agri-Environment Knowledge Centre delivers programming that supports the development of Manitoba's agri-food and rural sectors while protecting agri-environmental resources. Currently, the Agri-Environment Knowledge Centre has two main priorities. These involve the establishment of the knowledge centre as the point of contact for government for leadership and advice on agri-environmental matters and to represent Manitoba in national and international discussions. The Agri-Environment Knowledge Centre's second priority is to administer Manitoba's environment programming and commitments under the Agricultural Policy Framework (APF) and to propose and develop subsequent federal/provincial agri-environment programs.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective:

To enhance the development, diversification and productive capabilities of Manitoba's producers and processors by providing technical and specialized services addressing environmental issues.

Increased financial and technical assistance to producers to mitigate the risk of nutrient transfer to water through the development of nutrient generating facilities and enhanced nutrient management, regulation and extension.

- Staff participated in and initiated numerous successful workshops with producers to assist in increasing nutrient management planning.
- Staff prepared technical information for other departments as they developed regulations under *The Water Protection Act* as well as the amendment to the livestock manure and mortalities regulation.
- Staff revised and released the *Soil Management Guide*, which is an excellent resource to assist farmers in managing their lands.

Development of agri-environmental policies in partnership with other agencies that benefit producers and protect the environment.

- Staff work closely with the Policy Analysis Knowledge Centre providing advice on all agri-environment policy issues.
- Staff continue to lead policy development in the area of ecological goods and services (EG&S), and its potential to deliver environmental services.
- The Agri-Environment Knowledge Centre liaises with other provincial departments such as Manitoba Water Stewardship (including the Manitoba Habitat Heritage Corporation and the Conservation Districts program); Manitoba Conservation; Manitoba Science, Technology, Energy and Mines; and Manitoba Intergovernmental Affairs. This ongoing dialogue allows the ability to follow programming and activities within other departments of the provincial government, and provide relevant agri-environment information for the development of policy.

Completion of 2,500 individual environmental farm plans (EFPs) each year, with an expected 7,500 completed and reviewed EFPs by March 31, 2008.

The adoption of beneficial management practices on-farm by 75 per cent of producers with completed EFPs, through the Canada-Manitoba Farm Stewardship Program.

Enhanced producer awareness and knowledge of the on-farm landscape features and their associated risks and assets contributing to environmental impacts.

Increased adoption of sustainable agricultural practices across Manitoba that reduce economic and environmental risk.

- MAFRI GO teams, supported by Agri-Environment Knowledge Centre staff, delivered 155 individual environmental farm plan (EFP) workshops. March 31, 2008 saw the conclusion of the Environment Chapter of the Agricultural Policy Framework (APF) and during the terms of this agreement 851 individual EFP workshops were delivered. The EFP workshops consisted of a first workshop (431 delivered), in which producers identified environmental risks and opportunities, and a second workshop (426 delivered), in which producers developed an environmental action plan.
- This fiscal year, 1,276 environmental farm plans were completed resulting in a total of 6,828 producers participating in the individual EFP workshops and 900 producers in the group-based farm plans since the program inception in 2005/06. A total of 5,408 EFP workbooks have been reviewed and statements of completion issued (86 per cent of producers who attended workshops have participated in the review process).
- Since 2005/06, over 8.6 million acres have been assessed by producers participating in the EFP process. Manitoba's farmland base is comprised of 18.7 million acres.
- The Canada-Manitoba Farm Stewardship Program (CMFSP) yielded the following results for the agreement:
 - A total of 7,470 projects approved for a total value of a \$32.8 million investment for on-farm practices.
- Based on the number of applications approved, the top five categories for the agreement included:
 - Improved cropping systems
 - Product and waste management
 - Wintering site management
 - Improved manure storage and handling
 - Nutrient management planning

Accelerated expansion of agricultural lands with detailed soil inventory, along with associated maps and databases in digital and hard copy formats.

- In 2007/08, field mapping and soil characterization activities were continued in the Rural Municipality of Elton at a scale of 1:20,000. Approximately 15 sections were surveyed at 1:20,000 in the Rural Municipality of Elton over the field season.
- The soil map and report is completed for the Rural Municipality of Springfield at a detailed scale. Field correlation, editing, digitizing and final map production will continue for the Rural Municipality of De Salaberry.
- The soil maps for the rural municipalities of Tache and Ritchot are being edited and digitized, and the final reports are in progress. The ongoing program of soil correlation and systematic soil sampling for a range of chemical and physical analyses, including soil moisture properties, soil texture and soil salinity was carried out in the rural municipalities of Elton, Ritchot, Tache and De Salaberry.
- Soil survey was initiated in the Rural Municipality of Killarney-Turtle Mountain and 6.65 townships were completed. Soil survey was also initiated in the rural municipalities of Blanshard and Hamiota.
- The laboratory staff processed and analyzed approximately 2,250 soil samples for various soil chemical and physical properties, including calcium carbonate (CaCO₃), particle size, organic carbon, pH, electrical conductivity, and field moisture. Field and laboratory equipment was purchased to support the program and facilitate field characterization of soils.

Expansion of livestock, potato and other agricultural industries in a sustainable and environmentally-responsible manner.

- Completion and publishing of the *Farm Practices Guidelines for Pig Producers* in Manitoba.
- Hosted Manure Management 2007 – Adapting and Innovating for Sustainability, June 2007: 165 attendees, which included staff, RM councillors, producers, agronomists, and researchers from several provinces.

Technical information packages to equip producers to make better use of livestock manure as a source of nutrients.

- Staff continued to provide technical support for a phosphorus-based approach to nutrient management planning. Technical support was also provided to the Clean Environment Commission as part of the hog production industry review hearings. Staff provided assistance on manure management programs, and helped design and deliver nutrient management extension workshops that will be expanded throughout the province with support from MAFRI GO team staff.
- Technical review of soil and landscape properties and manure nutrient management requirements for proposed livestock operations (Technical Review Committee reports) were provided by Resource Management Team (RMT) staff.
- Assistance was also provided to the two-week summer Crop Diagnostic School with the University of Manitoba and Crop Industry Knowledge Centre.

Systematic approach to watershed planning and management.

- The Landscape Stewardship Specialist Team provided soil and agriculture resource information to seven integrated watershed management planning programs led by water planning authorities.
- The seven watersheds are: Shell River; Assiniboine-Birdtail; Arrow/Oak; Little Saskatchewan River; LaSalle River; East Interlake and Seine-Rat River. The first five watershed planning programs are integrated with the equivalent agri-environmental planning (EAEP) program. The team provided technical resource information that contributed to community-driven State of the Watershed reports, Watershed Report Cards and Drinking Water Source Protection Plans.

3 (d) Agri-Environment

Expenditures by Sub-Appropriation	Actual		Estimate	Variance	Expl.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	No.
(1) Salaries and Employee Benefits	1,390.1	29.54	1,887.3	(497.2)	1
(2) Other Expenditures	527.9		736.3	(208.4)	2
(3) Grant Assistance - Nutrient and Manure Management					
-Grants/Transfer Payments	-		2,375.0	(2,375.0)	3
Total Sub-Appropriation	1,918.0	29.54	4,998.6	(3,080.6)	

1. *The under-expenditure in salaries and employee benefits is mainly due to a higher than anticipated vacancy rate in the Nutrient and Manure Management and the Soil Survey programs.*
2. *The variance in other expenditures is primarily the result of lower than anticipated operating costs due to vacant positions as well as a delay in finalizing Nutrient and Manure Management program details.*
3. *The variance is primarily the result of a delay in finalizing Nutrient and Manure Management program details. Program implementation is expected to occur in 2008/09.*

Appropriation 3 (e) – Land Use Planning

The Land Use Planning Knowledge Centre has three core functions which have significant implications for all aspects of agricultural production, diversification and value-added opportunities. This is to ensure that a viable agricultural land base exists for present and future food production and diversification opportunities through sustainable land use planning, the Technical Review Process for livestock operations and agricultural Crown land regulation and management. These core functions are complex, given the need and desire for significant interdepartmental co-operation and consensus building in sustainable land use planning (private and Crown land), land management and allocation (Crown land) as well as the application of multiple resource use principles in rangeland management planning (private and Crown land). By applying the principles of sustainable planning in protecting agricultural interests, the Land Use Planning Knowledge Centre can facilitate economic development opportunities in rural Manitoba within the context of sustainability.

The Land Use Planning Knowledge Centre provides leadership within MAFRI in representing agricultural interests in the development and implementation of the provincial and municipal land use planning processes; the development and enforcement of regulations, policies and procedures to ensure equitable allocation and management of agricultural Crown lands; and co-ordination, training and technical support to both the provincial and departmental Technical Review Process. Through consistent interaction with provincial departments, municipalities, planning districts and agri-industry, the Land Use Planning Knowledge Centre provides leadership and expertise in support of sustainable agricultural practices, based on the principle of multiple resource use in Manitoba.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To protect agricultural land and farm operations from encroachment ensuring a viable agricultural land base for present and future food production and agricultural diversification through sustainable land use planning, the livestock operations Technical Review Process, and the management of agricultural Crown lands.

Communication to producers and provincial departments regarding land use planning and policy issues, and the implications of land use regulations on agricultural operations.

- A meeting was held with a stakeholders group representing commodity producer groups for a discussion on Provincial Land Use Policy #2 – Agriculture.
- Land Use Planning Knowledge Centre was consulted and provided input on proposed changes to *The Planning Act* involving livestock operations, and on new proposed livestock regulations to address the changes to the act and the Provincial Land Use Policies.
- Attended an Intergovernmental Affairs (IAF) Community Planning Services managers' meeting to discuss plans for changes to the Provincial Land Use Policies livestock regulations regarding cattle development.

Management and administration support of approximately 2,500 long-term forage leases involving 1.58 million acres and 75 cropping leases involving 10,675 acres generating over \$1 million in revenue.

- Management of approximately 2,635 long-term leases involving 1.59 million acres, and 83 cropping leases involving 11,844 acres generating nearly \$1.5 million in revenue.
- Management and distribution of approximately \$1.5 million in municipal tax dollars (grants-in-lieu held in trust).

- Transfer of the administrative function for leasing activities to the Crown Lands and Property Agency effective April 1, 2006 with the actual relocation of these activities and associated staff to Portage la Prairie in late August of 2007.

Along with Prairie Farm Rehabilitation Administration (PFRA), provision of grazing on 24 community pastures involving 432,918 acres during the summer grazing season.

- Along with PFRA, provision of grazing on 24 community pastures involving 395,506 acres during the 2007 grazing season.

Improved productivity on agricultural Crown lands through extension of forage and rangelands management practices to producers.

- Provided a new program which encourages recovery of grasslands from encroaching woody vegetation.

Conduct a triannual survey of pasture rates that provides the basis for the establishment of the rental rate charged by government for agricultural Crown lands.

- Survey to be initiated in the fall of 2008 with completion in 2009.

In conjunction with Manitoba Infrastructure and Transportation and the Crown Lands and Property Agency, achieve timely service for clients, seamless program delivery, a complete and accurate Crown Land Registry and mutually acceptable policy, legislation and business program.

- Worked closely with the Crown Lands and Property Agency to co-ordinate the roles of Crown land management with respective administrative functions related to program delivery for 1.6 million acres of agricultural Crown lands in Manitoba.
- Development of policies in consultation with the Agricultural Crown Lands Appeal Board, Stakeholders Consultation Committee and with required input from departmental staff directly involved in the delivery of the agricultural Crown lands program.
- *The Crown Lands Act* is still in the process of receiving amendments to reflect the changes related to the formation of the Crown Lands and Property Agency.

Objective 2:

To support sustainable land use planning and the management of Manitoba's agricultural land base consistent with provincial legislation, regulation and policies including *The Planning Act*, Provincial Land Use Policies, Farm Practice Guidelines, Livestock Manure and Mortalities Management Regulations and *The Crown Lands Act*.

Support municipalities in the preparation of their developmental plan and zoning bylaw as required under The Planning Act. All development plans must contain a livestock operation policy for the municipality or planning district. More than 120 development plans and livestock operation policies plus 200 zoning bylaws are anticipated with a deadline of January 1, 2008.

- As of March 2008, there are 16 planning authorities (four planning districts and 12 municipalities) that have a development plan that contains a Livestock Operations Policy consistent with requirements under *The Planning Act*.
- Fifty-nine planning authorities have been granted an extension by the Minister of Intergovernmental Affairs to June 1, 2009 to complete a Livestock Operations Policy (28 planning districts and 31 municipalities).
- Thirteen planning authorities have been granted an extension to January 1, 2010 (eight planning districts and five municipalities).

- As of March 31, 2008, eleven planning districts have not requested an extension (four planning districts and seven municipalities).
- Developed specific site plans for a more intense and detailed use of Crown lands.

Input and recommendations on a range of land use-related issues via assessment of subdivisions (590) written proposals and technical advice on proposals filed pursuant to The Environment Act and Land Use Reviews (75) under The Planning Act.

- Provided departmental review of approximately 700 subdivision proposals, conditional use applications and variation proposals.
- Co-ordinated and provided agricultural input to the review of over 100 additional land use proposals under *The Planning Act*.
- Reviewed and provided comments on ten highway development proposals and 35 proposals for development under *The Environment Act*.
- Presented concerns on behalf of MAFRI at nine Manitoba Municipal Board hearings.

Representation of the interests of Provincial Land Use Policy (PLUP) #2 to municipal councils, planning district boards and the public.

- Provincial Land Use Policy #2 – Agriculture was reopened and reviewed from a broader perspective. The completion of the review, including the consultation process, is expected for October 2008.
- Represented MAFRI's interests at over ten meetings of the PLUP Interdepartmental Review Committee held from January to March of 2008.

Attendance at 40 public hearings, two Planning District Board hearings, ten Manitoba Municipal Board hearings, and ten livestock zoning bylaw hearings.

- Attended ten public hearings, and nine Manitoba Municipal Board hearings.
- Land Use staff members no longer attend Planning District Board hearings – provincial concerns are referred to a municipal board. Decisions at eight Manitoba Municipal Board hearings were returned in MAFRI's favour.
- Met with councils and planning district boards on approximately 30 occasions to discuss planning options in-person or at public hearings.

Participate with Manitoba Conservation, Manitoba Water Stewardship and other government groups and agencies represented in Crown land planning and classification of Crown lands for multi-resource utilization.

- Valid agricultural interests were protected/maintained in the resolution of issues as they arose.
- Reviewed land use coding for slightly more than 30,000 parcels in six municipalities in the eastern region of the province, municipalities in the Interlake Region, as well as Northern Affairs areas stretching from Waterhen to Lake Winnipeg to assist in providing a maximized wood harvest for a proposed mill in the Interlake.
- Special consideration to management of Crown land to continually ensure one resource does not compromise another by applying the principles of multi-resource use and development. The Land Use Planning Knowledge Centre facilitates economic development opportunities in rural Manitoba within the context of environmental sustainability.

A technical review process and terms of reference that addresses current needs and supports the review of new and expanding livestock operations.

- Because of the pause placed on the hog industry in November 2006, no technical reviews for hog proposals were completed in 2007/08. However, the technical review committees conducted three technical reviews for other livestock proposals.
- The Clean Environment Commission (CEC) report entitled *Environmental Sustainability and Hog Production in Manitoba* was released on March 3, 2008. At the same time, a moratorium on the construction of new or expanded hog production facilities was put in place for designated areas in the Eastern, Central and Interlake areas of the province. Technical reviews will continue for all areas of the province, however, hog reviews will be discontinued in the areas affected by the moratorium.
- The CEC report recommended changes to the Technical Review Process. All CEC recommendations have been accepted by Manitoba Conservation in principle. A multi-departmental committee has been established to implement the recommendations.

Training sessions (4) to assist the understanding of the technical review process within MAFRI, Manitoba Conservation, Manitoba Intergovernmental Affairs and Manitoba Water Stewardship.

- Staff has worked with Manitoba Conservation to assess the use of Quebec software in determining nutrient excretion levels for all types of livestock. The software has been instrumental in determining the appropriate land base for new or expanding livestock operations based on the crop utilization of nutrients generated by the livestock operation.

Additional Results:

- Developed a subdivision database and tracking system which will promote consistency in responses provided by various MAFRI Land Use Specialists and will track the amount of agricultural land removed from production.
- Joined in forming the Sustainability Planning Horizontal Team to more appropriately co-ordinate MAFRI's approach to planning for sustainable agricultural and rural development and to improve communications regarding the role of the Land Use Planning Knowledge Centre in rural development.
- Played a significant role in planning the national Canadian Institute of Planners (CIP) Conference in Winnipeg for July 2008, with the goal of promoting the importance of land use planning for agriculture to local governments and planners. For the first time at the national level, an entire stream of sessions will focus on Planning for Agriculture and Food, and another will focus on Rural Planning by Design.
- Worked on developing and sponsoring a Planning for Agriculture and Food Network one-day seminar to follow the CIP Conference in July. The agenda for the day boasts international and national input on important agricultural land use planning issues.
- Finished producing and printing a fact sheet on *Living, Working and Playing in Rural Areas* regarding the land use conflicts that may develop between agricultural and non-agricultural development in the rural landscape.
- Provided a new Crown Land Improvement Policy (CLIP) for Crown lands.

3 (e) Land Use Planning

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	825.2	11.00	800.2	25.0	
(2) Other Expenditures	708.7		748.0	(39.3)	
Total Sub-Appropriation	1,533.9	11.00	1,548.2	(14.3)	

Appropriation 3 (f) – Agri-Food Innovation and Adaptation

Agri-Food Innovation and Adaptation (AFIA) Knowledge Centre develops and delivers the province's policies and programs with regard to science and innovation. The primary objective is to support growth and sustainability in the agri-food and rural sectors. AFIA provides leadership and co-ordination through financial support to institutions, organizations, businesses, and individuals engaged in the development of new knowledge and technology. The knowledge centre contributes leadership, policy and programming to the development of the bio-economy in Manitoba including functional foods, bio-energy and biomaterials. As well, AFIA staff are engaged directly in conducting applied field investigations into crop diversification and utilization on behalf of producer organizations. AFIA's Agri-Energy Office provides leadership and co-ordination of renewable energy programming pertaining to agriculture's ability to be both a supplier and consumer of non-fossil energy.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To develop and deliver the province's programs regarding science-based innovation in agri-food and rural development.

Expanded knowledge, particularly among rural Manitobans, in support of increased value-added processing, farm diversification, sustainability, food, fibre and energy production.

- Support in the evaluation of proposals to Agri-Food Research and Development Initiative (ARDI) of which 50 were awarded funding by the ARDI Council. A total of \$2.8 million was awarded during the fiscal year. ARDI provided financial support to commodity groups, individuals, industry, and institutions. The program focused on value-added processing, enhanced production, and exporting of higher value products. In 2007/08, ARDI facilitated projects in the following eligible categories:
 - Commodities that are well-established and present additional growth or development opportunities;
 - Commodities that are new or alternative and present opportunities for development in Manitoba;
 - Bio-energy, biofibres, and biotechnology; and
 - Sustainability of the resource base and the environment.
- The University of Manitoba grant of \$880.0 enabled 126 projects in areas determined to be high priority by AFIA and other knowledge centres in the department.
- A grant to the Prairie Agricultural Machinery Institute (PAMI) of \$337.0 was administered with oversight provided by AFIA.

Objective 2:

To deliver the province's program of applied investigations related to value-added crop and livestock diversification.

Multiple income streams for farmers as a result of markets for primary products in the bio-economy; ethanol, biodiesel, fibre and functional food components.

- A total of 77 applied investigations supporting farm participation in the bio-economy were conducted by the following organizations with assistance from the department:
 - Parkland Crop Diversification Foundation
 - Westman Agricultural Diversification Organization
 - Prairies East Sustainable Agriculture Initiative
 - Canada-Manitoba Crop Diversification Centre
 - Manitoba Crop Variety Evaluation Team (MCVET)

Objective 3:

To achieve the province's goals regarding renewable energy from agricultural sources.

Multiple income streams for farmers as a result of markets for primary products in the bio-economy; ethanol, biodiesel, fibre and functional food components.

- Collection, interpretation and dissemination of agronomic, engineering, economic and environmental information in support of policy development, community projects and increasing technical competency of Manitoba's bio-energy sector.
- Staff worked with clients on 25 proposals for ethanol and biodiesel plants.
- The Agri-Energy Office supported activities of the Manitoba Biodiesel Board.
- Developed and participated in 25 meetings outlining opportunities in renewable energy for producers and communities.
- A fibre procurement study was conducted to support future processing of agricultural fibre.
- Funding was awarded to establish two pilot-scale manure digesters and upgrade the Environmental Engineering lab testing facilities at the University of Manitoba.
- Projects were developed with individual entrepreneurs in the area of biomass energy and bioproducts.
- The Agri-Energy Office has, in co-operation with Manitoba Science, Technology, Energy and Mines, developed and delivered programs and information on biodiesel, wind power, ethanol, biomass, and methane from anaerobic digestion.
- Manitoba participated in the following multi-partner initiatives, which placed the province in a leadership position in the bio-economy:
 - Potato Innovation Network
 - Flax Canada 2015 Phase II
 - Canola Product Research Fund
 - Pulse Innovation Project
 - Commercialization of biofibres for composite application
 - Parkland BioFibre
 - Parkland Industrial Hemp Growers Co-op
- The Composites Innovation Centre produced a strategic road map for the industrial hemp industry.

Objective 4:

To develop priorities for the province's investment in innovation in support of sustainable value-added agri-food and rural development.

Investment in innovation-based enterprises in rural Manitoba.

Expanded knowledge, particularly among rural Manitobans, in support of increased value-added processing, farm diversification, sustainability, food, fibre and energy production.

- Consultations were held with University of Manitoba faculties of Agricultural and Foods Sciences and Human Ecology to establish priorities for research and development.
- Continued support of the collaborative activities of the Manitoba Agri-Health Research Network, both nationally and internationally, to support discovery and commercialization of functional foods.

- Provincial priorities were included on the national agenda through involvement with federal foresighting activities as well as the Flax Canada 2015 Phase II and Pulse Innovation Program.

Objective 5:

To establish strategic partnerships among research providers including universities, colleges, non-government organizations, federal agencies and the private sector.

Maintain federal research capability in Manitoba.

- Work continued with the Jewish National Fund, Misipawistik Cree Nation and Red River College to develop greenhouse project based on Israeli technology.
- Work continued to assist Parkland BioFibre in establishing a hemp processing plant in Dauphin.
- Collaboration was established with Assiniboine Community College in the establishment of their bio-economy program.
- Funding was facilitated for Brandon University and University of Winnipeg.
- Industry/government partnerships were developed for ethanol production, on-farm anaerobic digestion, biodiesel and biomass energy.
- The Manitoba Agri-Health Research Network was implemented to co-ordinate outreach activities of the Functional Food Cluster, which consists of the Richardson Centre for Functional Foods and Nutraceuticals (RCFFN), Canadian Centre of Agri-Food Research in Health and Medicine and Food Development Centre.
- Funding was provided to the University of Manitoba's Glenlea Farm Education Centre to establish a public facility geared toward educating consumers about food production.
- A research agreement was struck between Manitoba, the Manitoba Cattle Producers Association and Agriculture and Agri-Food Canada to expand forage and beef research in the province.
- Support was continued for producer-led crop diversification centres, including fostering collaboration with industry and industry organizations.
- ARDI projects received \$4.7 million from producer organizations, corporations and others in support of collaborative projects.

Objective 6:

To encourage the expansion of research capacity and innovation.

Maintain federal research capability in Manitoba

Value-added enterprises in biofuels, functional foods and other bio-economy enterprises in rural Manitoba.

- The Province of Manitoba contributed \$1 million to ARDI in 2007/08. The ARDI council approved 50 projects in 2007/08 with financial commitments totalling over \$2.8 million.
- Funding was provided for equipment at the Richardson Centre for Functional Foods and Nutraceuticals.

- Significant effort has been expanded in developing the functional food sector including research projects and delivery of commercialization road map training for entrepreneurs.
- Manitoba secured federal funding totalling \$9.3 million and delivered through the Agricultural Policy Framework to support research partnerships with small enterprises and producer organizations. Projects included industrial hemp fibre evaluation and capacity development, biodiesel commercialization, functional food product and commercialization advancement, perennialized grain production systems, Manitoba fruit industry development, greenhouse energy conservation and ethanol production systems.

3 (f) Agri-Food Innovation and Adaptation

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	No.
(1) Salaries and Employee Benefits	1,221.9	17.80	1,295.3	(73.4)	
(2) Other Expenditures	233.6		280.9	(47.3)	
Total Sub-Appropriation	1,455.5	17.80	1,576.2	(120.7)	

Appropriation 3 (g) – Agri-Food Research and Development Initiative

Funding for this initiative is made available by federal and provincial governments for research and development projects under the Canada-Manitoba Agri-Food Research and Development Initiative (ARDI) Agreement.

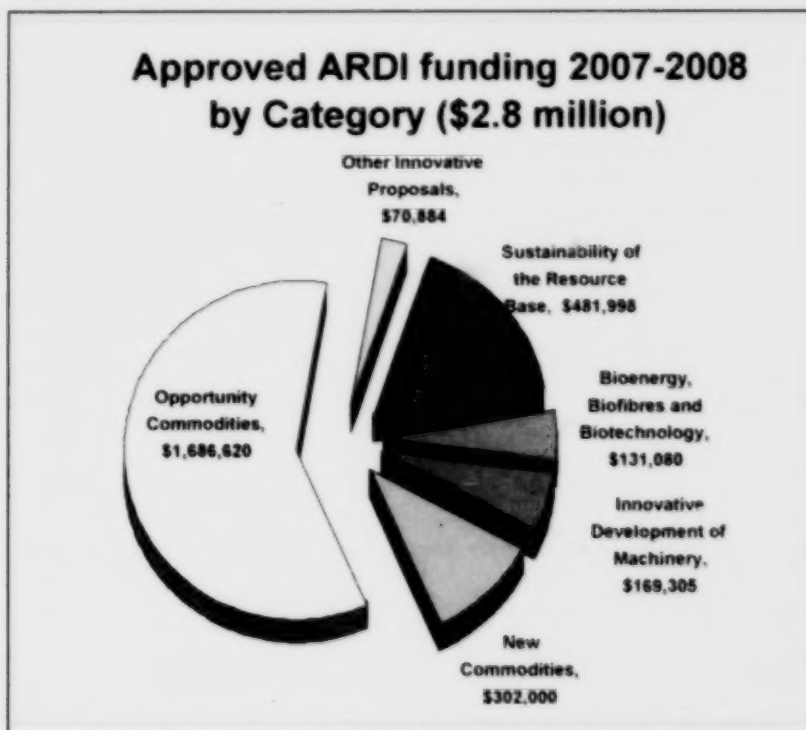
The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective:

To provide financial support to partners on a project basis for research and development in support of the province's strategy to diversify and add value to its agriculture and food sectors.

Growth in Manitoba's agriculture and food sector as a result of products and innovations developed with ARDI funding.

- In 2007/08, ARDI facilitated many diverse projects in the following eligible categories:



Added value from other initiatives such as research and development at the University of Manitoba, the Prairie Agricultural Machinery Institute, Sustainable Development Innovations Fund, Manitoba Agri-Ventures Initiative, the Rural Economic Development Initiative, and market development initiatives such as the Manitoba Pork Advantage and the Food Development Centre.

- Virtually all ARDI projects involved Manitoba research providers and collaboration with other funding agencies.

Investment in research and development by agri-business, associations, institutions, local organizations, and commodity groups.

- The Province of Manitoba contributed \$1 million to ARDI in 2007/08. The ARDI Program Council approved 50 projects with financial commitments totalling over \$2.8 million. These projects received an additional \$4.7 million investment from producer organizations, corporations and others. In one year, ARDI projects helped leverage \$7.5 million for agriculture and agri-food research in Manitoba.

Increased number of highly qualified personnel as a result of the training and education of graduate students through ARDI-funded projects.

- A total of 45 post-secondary students were involved in ARDI projects in 2007/08.

A contribution to developing an overall climate of innovation in Manitoba.

- ARDI continued to be regarded as the primary provincial research and development foundation for agri-food and rural science and innovations.

3 (g) Agri-Food Research and Development Initiative

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Grants/Transfer Payments	1,000.0	1,000.0	-	
Total Sub-Appropriation	1,000.0	1,000.0	-	

Appropriation 3 (h) – Grant to the University of Manitoba

MAFRI funding represents a significant proportion of total government and corporate contributions for research activities of the Faculty of Agricultural and Food Sciences at the University of Manitoba. Various departments within the faculty received monetary grants to assist in their research activities.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective:

To provide financial support to the University of Manitoba for conducting research projects aimed at increasing knowledge that can be applied to the priorities of Manitoba's agri-food and rural sector.

Results of research in support of the sector's priority areas:

- *Farm Profitability*
 - *Value Added*
 - *Rural Economic Development*
 - *Environmental Sustainability*
 - *Health and Wellness*
- The department allocation contributed to a total of 48 projects, of which 44 directly supported the department's strategic priorities. The faculty undertook a total of 131 projects in 2007/08.

Funding from this grant is expected to serve as a valuable resource in assisting the Faculty of Agricultural and Food Sciences in attracting outside funding for research (in support of the department's priorities) from non-provincial government sources.

- In 2007/08, projects enabled by the grant achieved a leverage factor of 10:1. Federal programs and industry organizations provided much of the external funding.

3 (h) Grant to the University of Manitoba

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Grants/Transfer Payments	868.3	868.3	-	
Total Sub-Appropriation	868.3	868.3	-	

Appropriation 3 (i) – Grant to the Prairie Agricultural Machinery Institute (PAMI)

The department provides financial support to the Prairie Agricultural Machinery Institute (PAMI) for conducting agricultural research, development, and testing of farm equipment and technology aimed at enhancing the productivity and income of Manitoba's agricultural producers. PAMI operates out of Portage la Prairie, Manitoba and Humboldt, Saskatchewan. Financial support of \$332.5 is provided through an agreement between the Province of Manitoba and the Province of Saskatchewan.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To provide financial support to PAMI for conducting agricultural research, development and testing of farm equipment and technologies aimed at enhancing the productivity and income of Manitoba's agricultural producers and processors.

PAMI applies technology as a tool for economic development through client-driven activities that support MAFRI's strategic routes and priorities under Growing Opportunities:

- *Farm Profitability*
- *Value Added*
- *Rural Economic Development*
- *Environmental Sustainability*
- *Health and Wellness*

- PAMI programming covered the spectrum of provincial priority areas again in 2007/08.

Results from applied research in agricultural production, environmental technologies, renewable energy, farm safety and value-added processing.

- Results were disseminated to Manitobans by PAMI and department staff.

Technology transfer to assist producers and the industry to make changes to their operations.

- Results were adopted by Manitoba's agri-food sector.

Objective 2:

This grant enables PAMI to leverage industry funding, with fee-for-service income contributing 70 per cent of its operating budget.

- The grant enabled PAMI to leverage industry funding, with fee-for-service income contributing in excess of 70 per cent of its operating budget.

**PAMI's 2007/08 Annual Report will provide details later in 2008.

3 (i) Grant to the Prairie Agricultural Machinery Institute

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Grants/Transfer Payments	332.5	332.5	-	
Total Sub-Appropriation	332.5	332.5	-	

Appropriation 3 (j) – Agricultural Sustainability Initiative

The Agricultural Sustainability Initiative (also known as Covering New Ground – CNG) funds activities in the following areas:

- Sustainable Crop Management;
- Sustainable Forage/Livestock Management; and
- Integrated Pest Management

In 2006/07, five new strategic themes were added to the funding areas under CNG as follows:

- water quality related to agriculture issues;
- agri-energy;
- biological cropping systems;
- northern foods/new production systems; and
- ecological goods and services

The delivery of programming occurs through:

- local producer groups located throughout rural Manitoba;
- provincial commodity and agricultural organizations; and
- three regional crop diversification centres:
 - the Parkland Crop Diversification Foundation
 - the Westman Agricultural Diversification Organization
 - the Prairies East Sustainable Agriculture Initiative

Objective 1:

To facilitate the adoption of effective resource management and environmentally sustainable practices to enhance the long-term sustainability and competitiveness of the agri-food sector.

Accelerated adoption of sustainable agriculture practices across Manitoba.

Continued emphasis on nutrient management projects, including innovative manure management techniques such as anaerobic digestion.

Maintained/enhanced quality of agricultural lands.

Additional funds attracted from other sources as partnerships are formed to carry out program activities.

Summary of 2007/08 CNG Priority Areas Projects and Proponents

Priority Area	Number of Proponent	Number of Projects	Direct Delivered Projects	Approved CNG Contribution	Actual \$
(1) Sustainable Forage/Livestock Management	18	26	5	172,430.44	161,436.28
(2) Sustainable Crop Management	10	14	2	82,796.81	70,316.84
(3) Integrated Pest Management	8	8	2	89,056.54	79,999.72
(4) Contingency List	4	4	0	12,060.00	12,060.00
(5) Biological Cropping Systems	3	6	1	125,930.00	113,151.03
(6) Water Quality Related to Agricultural Issues	9	10	1	123,639.00	110,957.33
(7) Agri-Energy	3	3	1	72,507.42	68,734.42
(8) Northern Foods/New Production Systems	3	4	0	97,799.00	90,200.64
(9) Ecological Goods & Services/Climate Change	2	2	2	103,831.00	101,404.79
(10) Crop Diversification Centres	3	Various	0	225,000.00	224,877.88
Totals	63	77	14	1,105,050.21	1,033,138.93

- The program areas in 2007/08 included Sustainable Forage/Livestock Management, Sustainable Crop Management and Integrated Pest Management. The table above shows that in 2007/08, 63 proponents (producers and conservation groups, and non-governmental organizations) conducted 77 demonstration and applied research projects, while MAFRI staff conducted 14 projects totalling approximately \$1,105.0 in approved CNG contributions.
- Thirty-one sustainable forage and livestock management projects were conducted by 18 proponents and five MAFRI staff, totalling \$172.4. The projects addressed issues relating to forage and livestock management, livestock manure and mortalities, extending the grazing season, and conducting feeder and grazing schools.
- Sustainable Crop Management involves the demonstration of variable rate fertilizer management and the effectiveness of Environmentally Smart Nitrogen (ESN)-controlled release of urea in winter wheat and Timothy hay, and the evaluation of manure sources for organic crop production. MAFRI staff reprinted the *Soil Management Guide* to include "Greenhouse Gases in Agriculture." The CNG contribution in this area is \$82.8.
- The monitoring of aphids in potatoes and other insect pests, inventory and control of invasive plants under Integrated Pest Management totalled \$89.0, however additional time was spent on monitoring and inventory.
- Three diversification centres in Melita, Roblin, and Arborg conducted 65 different trials dealing with crop diversification opportunities including agri-energy. Funding for the centres was approximately \$225.0.
- Communication of activities occurred through newsletters, radio interviews, news releases and articles, seminars, workshops, field days, fact sheets, guides, reports, and other extension materials.

Objective 2:

To facilitate the conservation and enhancement of the natural soil, water and atmospheric resources that agriculture uses and shares by ensuring the environmental sustainability of the practices employed in the agri-food sector.

Implementation of over 87 projects by 47 local organizations and commodity associations.

Accelerated adoption of sustainable agriculture practices across Manitoba.

Maintained/enhanced quality of agricultural lands.

Additional funds attracted from other sources as partnerships are formed to carry out program activities.

Reduced impact by agriculture on the environment.

- Five theme areas were included to focus on environmentally sustainable agricultural practices. These included: Biological Cropping Systems, Water Quality Related to Agricultural Issues, Agri-Energy, Northern Foods/New Production Systems, and Ecological Goods and Services/Climate Change.
- Biological Cropping Systems funding last year totalled \$125.9 to support rotational studies, reduced crop inputs and perennial grain crops. Examples of these projects include Alternative Nitrogen Application in Winter Wheat, Cereal Grain for Ethanol Production, Integrated Management of Crop Rotation to Reduce Use of Agricultural Inputs and Manitoba Low-Till Organic Research Program.
- Water Quality Related to Agricultural Issues addressing nutrient management and pesticide input totalled \$123.6. Examples of these projects include Forage Field Fertility Management, Nutrient Management Planning for Finisher Pig Operation using a Feed Consumption Model and Manure Analysis- GHG Measurements, Cattle Manure Management and Nutrient Cycling in Bale Grazing Cattle.
- Biodiesel Promotion and Demonstration were funded in Agri-Energy and totalled \$72.5. Examples of these projects include the Manitoba Biodiesel Demonstration, Effects of Biodiesel Blends on Tractor Engine Performance, and Establishing Switchgrass for Use as Biofuel.
- Food processing and preserving, gardening and establishing a greenhouse were funded in Northern Foods/New Production Systems and totalled \$102.1. Examples of projects funded under this theme include Increasing Healthy Food Self-Sufficiency in Northern Communities and the successful production of a Non-Timber Forest Product Industry promotion DVD called *Open Your Eyes*. This DVD provided grassroots examples of northern Manitoba residents that developed options for greater self-reliance for food and health supplies for their families.
- Two workshops were funded in 2007/08 and totalled \$103.8. The Ecological Goods and Services workshop included topics such as Estimating Program Uptake and the Nature of Cost/Benefits. The second workshop addressed climate change and was conducted in collaboration with the Manitoba Rural Adaptation Council (MRAC). The topics covered included Identifying Opportunities: Climate Change and Agriculture in Manitoba, and the Alternate Land Use Service project.

3 (j) Agricultural Sustainability Initiative

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl. No.
	2007/2008 \$(000s)	2007/2008 FTEs \$(000s)	Over/(Under) \$(000s)	
Other Expenditures	1,038.6	1,118.5	(79.9)	
Total Sub-Appropriation	1,038.6	1,118.5	(79.9)	

Appropriation 3 (k) – Irrigation Development

In September of 2002, a \$1.0725 million provincial Irrigation Development Program (IDP) was announced with a goal of developing 50,000 annually-irrigated acres over a ten-year period.

The IDP was modeled after the previous Surplus Water Irrigation Initiative (SWII) program, with programming offered in areas such as:

- Off-farm irrigation development
- Area, block development and management
- Investigation and demonstration; and technology transfer, environmental protection, public awareness education and communication

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To facilitate the development of retention ponds, irrigation water distribution systems and related off-farm infrastructure in support of irrigated crop production.

Off-Farm Irrigation Development

Development of retention ponds and water distribution systems to service 50,000 additional annually-irrigated acres over a ten-year period (average 5,000 per year).

- IDP supported the development of 18 irrigation projects.
- Fourteen of the projects supported were continued phases of development of projects started in previous fiscal years. Water development amounts were reported in previous annual reports.
- There were four new projects supported, adding 1,150 acre feet of water to annually irrigate 1,260 acres.
- The eligible off-farm support to irrigation development was \$852.2.
- Since 2002, the IDP program has supported the development of 11,715 annual acres using 7,565 acre feet of water.
- Since 2002, irrigation in Manitoba has developed at less than the 5,000 acre per year annual target. The actual rate of development has been approximately 2,000 acres per year. Note that, although actual irrigated acres were less, the amount of irrigation (inches) to new and existing acres has significantly increased. Factors affecting the rate of development include:
 - Few projects planned and approved for development in 2002 and 2003 delaying uptake of the IDP program.
 - Poor construction year in 2005 due to excess rainfall.
 - The closing of a processing line at the McCain plant in Carberry lessening the demand for irrigated potatoes.
- Developing irrigation increases the potential for agricultural production. Crops which are subject to moisture stress can be grown in developed acres. Increased acreage and quality in potatoes and other vegetables, along with fruit crops, are direct outcomes of developing irrigation potential.

Objective 2:

To support technology transfer and monitoring programs to support environmentally sustainable irrigation practices.

Area Block Development and Management

Support Regional Irrigation Groups to develop and operate irrigation infrastructure in an environmentally sustainable manner.

- The IDP program provided support to the management of ten area/block projects with three holding companies. The amount of support provided was \$67.2.

Objective 3:

To provide technical and specialized services to producers, irrigation associations and commodity groups to support irrigated crop production

Provision of technical assistance to producers related to irrigated potato production, soil and water management and crop rotations.

Continued support of soil and water quality monitoring at selected sites.

- The IDP program provided support for five projects to obtain environmental approvals.
- Technology transfer of irrigation was provided at four regular agronomy meetings in three locations and an irrigation school. Funding of \$5.3 was provided to these activities.
- The IDP program provided \$85.3 to support seven investigation projects.
- Crop water demand information was faxed daily to Manitoba Potato Producers.

3 (k) Irrigation Development

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Other Expenditures	1,038.1	600.0	438.1	1
Total Sub-Appropriation	1,038.1	600.0	438.1	

1. *The over-expenditure is primarily due to deferral of 2006/07 projects to 2007/08 resulting from departmental expenditure management measures adopted in 2006/07 to accommodate other priority programming needs.*

Appropriation 4

Agri-Food and Rural Development

The Agri-Food and Rural Development Division provides front-line delivery and supporting extension programs in partnership with stakeholders to enhance the viability of family farms; to provide value-added and diversification opportunities; to strengthen the capacity of Manitoba's food processing industry; and to build vibrant rural and northern communities.

Through the division's Growing Opportunities (GO) teams branch and knowledge centres, extension services and technical leadership is delivered by staff in farm production, farm and rural business management, community and economic development, entrepreneurship, Aboriginal agriculture, immigration, youth and leadership capacity development, urban and consumer awareness, northern foods, food processing, industrial development and food commercialization and marketing.

The division provides leadership and resources to accelerate initiatives that will create new employment opportunities and capital investment that anchors sustainable communities. Financial and professional support is also supplied to economically viable projects in partnership with communities, municipal governments, local and regional community development organizations, entrepreneurs, businesses, co-operatives, and youth organizations.

The Agri-Food and Rural Development Division also works closely with many organizations, partners and institutions such as the Rural Development Institute, the University of Manitoba, and the Canadian Centre for Agri-food Research in Health and Medicine to provide a platform of research and science that facilitates economic development and commercialization in Manitoba's agriculture and rural sectors.

Appropriation 4 (a) – Growing Opportunities (GO) Centres

The impacts of the GO teams extension programs in 2007/08 are listed under 12 objectives as indicated in the *Supplementary Information for Legislative Review* document. GO teams worked in co-operation with other departments, implementing a single window delivery approach to client service. GO teams, with knowledge centres, are also moving to a horizontal team approach to provide integrated and specialized service to rural clients.

Advisory Councils

Each GO team has an established advisory council comprised of agricultural producers, entrepreneurs, community leaders, and business people. These advisory councils provided input to GO teams with the development of three-year directional plans that link to the department's priorities.

The advisory council priority areas for the GO teams to address include the reduction of production costs in terms of energy; agricultural labour needs; farm succession; small farms programming; weed and insect management; and livestock and forage production. The advisory council also recognized the need to develop "buy local" attitudes in consumers; the development of e-commerce opportunities and infrastructure; the encouragement of community members to invest locally; the need for communities to work co-operatively; and the development of co-operatives and value chain opportunities.

GO teams advisory councils identified interest in health and wellness, suggesting that producers need to market their foods as healthy to receive a fair price and better relate healthy food to good management at the farm level. Timely extension by MAFRI staff was cited as crucial to aid producers and processors in understanding and complying with regulations and responding to issues. Advisory councils also stated that GO teams should aggressively communicate all the services they provide to rural Manitobans.

The expected results, as planned during the 2007/08 estimates process, are displayed below in *italics* followed by bulleted actual results.

Objective 1:

To enhance the profitability of traditional crop production, such as wheat, barley, and canola, and livestock production in Manitoba.

Improved stability of farm, rural and northern businesses through the increased adoption of management practices incorporating production, financing, marketing and the use of risk management tools.

- Canadian Agricultural Income Stabilization (CAIS) – staff organized and/or assisted with CAIS workshops for 460 producers.
- Canadian Agriculture Skills Service (CASS) – staff promoted awareness of program, which resulted in 1,153 applications.
- Bridging Generations Initiatives (BGI) – staff delivered programming and consultation to 500 clients.
- Delivered 51 individual farm management consultations.
- As part of a provincial program, staff assisted in the organization of the Farm Succession Week in February 2008. Three seminars delivered information to 240 farmers.
- St. Jean Farm Days – an annual two-day extension platform organized, including presentations, by GO team staff that attracts 400 farm and rural citizens.
- Crop Diagnostic School – GO team staff have presented at this event that is attended by 385 industry and government agronomists.
- Soil Fertility workshops – six workshops delivered to 121 farmers and agronomists.
- Manitoba Special Crops Symposium – staff assists with presenting information at and organizing this major extension platform that attracts over 600 producers and agri-business partners to the two-day event.
- Staff organized a two-day Provincial Pasture Tour (150 participants), four extended grazing presentations to 155 farmers, three forage and pasture tours (163 farmers participating), Parkland Ranchers seminar (150 participants), Interlake Beef and Forage Days (120 participants) and a two-day Provincial Grazing School (400 farmers and ranchers).

Objective 2:

To increase farm profitability in Manitoba by identifying production cost reduction strategies and by enhancing or diversifying income streams.

Community investigation and development of five agri-energy development projects.

- Staff worked with the St. Laurent Community Development Corporation to deliver an Alternative Energy Conference with over 120 people in attendance.
- Staff worked closely with 13 producer and business groups to develop bio-energy projects, including ethanol, biodiesel, biomass and wind energy.
- Fuel for Thought Symposium – staff organized a two-day symposium that consisted of a first day seminar (100) and second day bus tour (50).

Enhanced ability of 500 farm families to respond to the challenges of a competitive sectoral environment through improved marketing, production, management and leadership skills.

- Two grain marketing seminars – three days of intensive grain marketing training to 100 farmers.
- Outlook 2008 in Dauphin attracted 135 producers and agri-business personnel to the one-day grain marketing seminar.
- GO team staff provided advice to 13 holistic management clubs that are comprised of 260 farmers.
- Crown lands staff administered 2,635 leases and permits involving 1.59 acres of agricultural Crown land for utilization by farmers and ranchers.

Objective 3:

To facilitate the entry of young farmers into agriculture.

Enhanced capacity of 60 young and beginning farm and rural families to develop sustainable farm and rural farm businesses.

- Young Farmer Crop Plan Credit Program – assist new entrants to crop insurance by educating farmers on developing a crop plan; 64 producers were helped in 2007/08.
- Young Farm Women – staff delivered a series of eight workshops designed to increase the technical and management skills for 30 farm women.

Enhanced awareness of producers, producer groups and agri-business of market development opportunities and farm and business management principles.

- Livestock peer groups in The Pas and Swan River facilitated 26 young producers for farm business management principles and practices.
- Value-added beef meetings were organized with 50 beef farmers attending.
- Eleven producer meetings were held to explore opportunities for forage-fed and organic beef.

Objective 4:

To increase the amount of processing of agricultural products in Manitoba.

Establishment or retention of 50 new or existing businesses to add value through processing of Manitoba agriculture and food products.

- Organized a "Moving Meat into the Future: Mobile Processing" event in Gilbert Plains and Portage la Prairie with 100 participants attending.
- Staff were involved in numerous community, value-added and business development projects. An example of the project topic areas include: biofuels/alternative energy (40), food processing (20), livestock and crop marketing (12), non-food-related business development (67), food-related business development (52), community economic development (30), food product marketing (21), co-op development (9), immigration (8), tourism (22), as well as other categories (41).

Ten immigrant entrepreneurs have developed new food and business opportunities.

- Staff have assisted numerous immigrant entrepreneurs with pursuing their business interests. As a result, business starts have resulted in three full-time positions and one part-time position at four new businesses.

Objective 5:

To increase producer returns from the marketplace through the value chain model.

Enhanced awareness of producers, producer groups and agri-business of value chains, with five value chain initiatives underway.

- As part of a provincial program, staff have assisted with six workshops presented to 75 participants in three Manitoba locations on crafting value chain strategies.
- Value chain development work continues with the formation of a dedicated value chains team tasked with targeted development of value chains.

Objective 6:

To increase the number of value-added businesses in Manitoba through the development of a strategic infrastructure strategy.

Creation of ten strategic partnerships to take advantage of value-added processing, diversification and marketing opportunities in the agriculture, agri-food and rural industries.

- Staff supported the development of 33 new and existing farmers markets in rural Manitoba and the City of Winnipeg.
- Central Plains Inc. Central Manitoba Broadband Project – staff assisted, in co-operation with economic development partners, in developing a project that successfully introduced high speed Internet service to ten municipalities.
- Staff is involved in an interdepartmental working group with Manitoba Labour and Immigration to develop a provincial strategic plan for immigration to rural Manitoba.

Objective 7:

To provide extension services that enable rural and northern communities, businesses and individuals to undertake economic development activities.

Creation of five new partnerships with internal and external agriculture, food and rural service providers to provide clients with needed services.

- Staff promoted and implemented the provincial agri-tourism strategy by increasing new product offers, community/business partnerships and events such as geocaching and fall harvest.
- GO team staff administered 267 Hometown Manitoba projects valued at \$482.4.
- Direct Farm Marketing conference – 88 producers had an opportunity to explore new marketing strategies and investigate emerging trends in farm business diversification, agri-food, agri-tourism and country markets.
- BizPal business directory portal – in partnership with municipal, provincial and federal governments, staff led the process of accumulating the license and permit information for all regulations under MAFRI responsibility.
- Urban GO worked in partnership with the Manitoba Food Processors Association in the promotion of Manitoba food products and the expansion of the Manitoba food processing industry.
- Women in Business meetings – staff developed three meetings for 55 rural business women to address business issues.
- *Community Connection Newsletter* – a multi-GO team quarterly newsletter was developed that connects community, volunteer and non-profit organizations with relevant and timely information. Over 350 organizations have been networked.
- Staff have developed two community economic development (CED) practitioners groups that facilitate the co-ordination and partnering of regional CED delivery.
- In 2007/08 staff secured \$299.3 of funding from the Manitoba Opportunities Fund for five regional immigration-related projects.
- Business Transfer seminars – in partnership with Community Futures Manitoba, staff worked with communities to pilot a business transfer program. Two events have been held to date with 43 participants.
- In partnership with Manitoba Competitiveness, Training and Trade (CTT) and Community Futures Manitoba, GO teams held three business start workshops for approximately 80 clients. Follow-up individual client counseling sessions will be held with approximately 50 clients who are in the process of starting or maintaining a business.
- GO team staff lead the delivery of public farm safety education through newsletters, presentations at extension events, and through a safe farm equipment operators' course for women.
- Farm safety, via events such as Progressive Farm Safety Days and Farm Safety Camps, resulted in 13 seminars reaching 1,200 elementary school children.
- GO branch staff partnered with Agricultural Societies in events such as support of local beef clubs and horse clubs at summer fairs, agricultural awareness/education exhibits, student safety trail days, and local 4-H beef and dairy achievements.
- Partnered with local Women's Institute groups on events such as annual conferences and local educational seminars.

Objective 8:

To develop future leaders and to ensure leaders have the support and resources to pursue new opportunities.

Viable 4-H program with stable enrolment levels.

Leadership and organizational development support is provided to the 4-H program. There are 1,404 volunteer leaders who work with over 3,424 members in 208 clubs including 4-H program introduction in one First Nations community.

Increased rural community and business development due to the enhanced leadership skills of rural residents and young people.

- A Business Vitality Index meeting was held in Dauphin with 40 participants.
- GO teams partnered to host the first-ever Take the Leap – Manitoba Rural Entrepreneurship

Conference in Dauphin from October 26-27, 2007 with 150 participants from across Manitoba.

- Nine community visioning seminars were held with rural communities.
- Staff delivered Junior Achievement business workshops at 12 schools to 510 students.
- Human Risk Management Seminar – staff organized a half-day seminar on human resource issues for 15 producers employing staff.

Students are exposed to the agri-food industry and potential career opportunities.

- A career symposium was held in Beausejour with over 2,000 students and 77 exhibitors in attendance. GO teams promoted educational, entrepreneurial and employment options for students.

Objective 9:

To support the health and wellness of all Manitobans through encouraging their increased consumption of healthy foods.

Enhanced capacity of 150 northern families to develop self-sufficiency in producing nutritious foods.

- The Northern Healthy Food Initiative (NHFI) is an interdepartmental partnership between Manitoba Aboriginal and Northern Affairs (ANA), Manitoba Health and Healthy Living, Manitoba Conservation and MAFRI, which strives to improve healthy food self-sufficiency of 27 remote northern communities and the families who live there. Over 300 new gardeners will receive technical support to grow, preserve and prepare healthy, fresh garden vegetables for their family's dinner table.
- Gardening resource materials were developed and were reprinted for distribution in the 2007 growing season.
- Frontier School Division has included gardening and healthy food initiatives in its curriculum development, impacting youth leadership in healthy food.
- Six communities are preparing for greenhouse production of bedding plants in 2008/09 in an attempt to extend their garden growing season in northern communities.
- Staff participated in six workshops at the Northern Harvest Forum in Thompson.

Enhanced awareness in urban consumers of agriculture and its important contributions to the Manitoba economy.

- Staff actively participates in public agriculture awareness venues such as the Amazing Agriculture Adventure, Brandon Winter Fair and the Red River Exhibition.
- Working with Western Canadian Functional Foods and Natural Health Products Network, the Manitoba Agri-Health Research Network, the Canadian Centre for Agri-Food Research in Health, Richardson Centre for Nutraceuticals and Functional Foods, and Manitoba Science, Technology, Energy and Mines (STEM) in support of a "public awareness" message for agriculture.
- Fourth Annual Agriculture Awareness Day held at the Manitoba Legislative Building with the theme "Start your Day with a Farmer."

Objective 10:

To facilitate industry's ability to uphold food safety standards and practices.

Public support for Manitoba food products through greater public awareness of the high quality, low prices, abundance, variety and safety of Manitoba food products.

- Staff continue to represent the department on 12 local veterinary boards in rural Manitoba.
- Staff encourage producers to enroll in the Verified Beef Production program through newsletter articles and workshops, which inform farmers of the importance of following a recognized national beef on-farm food safety program that reassures consumers of the safety and quality of Canadian beef.
- Promoted the Canadian Cattle Identification Agency (CCIA) tagging and registration process through seminars and GO offices.
- Staff conducted audits on turkey farms as they assisted the Manitoba Turkey Producers Marketing Board implementation of an on-farm food safety program.
- Staff continues to be involved with activities of the Chief Veterinary Officer (CVO) and Food Safety Knowledge Centre, including avian influenza preparedness, working on committees for mass disposal preparedness in the event of a disease outbreak and also traceability and age verification of cattle.

- Staff are assisting with the national Traceability Initiative.
- Work with the Food Safety Initiative included two workshops on Good Manufacturing Practices and Hazard Analysis Critical Control Points (HACCP) systems in their food processing facilities that attracted 17 food processors.

Objective 11:

To encourage the establishment of co-operatives as a business structure for agricultural and rural ventures.

Enhanced awareness of co-operatives in producers, producer groups and agri-business, with 15 new co-operatives in Manitoba.

- Staff continue to assist the Interlake Cattlemen's Co-op to meet their goal of marketing 65,000 head yearly over the Internet, which will allow global cattle marketing.
- Staff worked with proponents for the establishment of an organic grazing co-operative pasture project as well as community fitness co-ops in Portage la Prairie and Treherne.
- Staff continue to work with proponents to develop the Parkland Industrial Hemp Growers/Composites Innovation Centre (CIC) partnership.
- Seniors Housing Co-op – MAFRI and co-op development staff will continue to support the organizational development of a co-operative housing project for seniors in The Pas.
- Staff is currently working with a community group interested in establishing a Lunder co-op.
- Business development support was provided to the 30-member Manitoba Wild Harvesters' Association Co-operative Inc.
- Staff provided resources to assist with the establishment of a local food marketing and distribution co-operative in Clearwater, Manitoba.

Objective 12:

To develop long-term water management strategies which benefit all Manitobans.

Enhanced quality of soil and water resources through the adoption of beneficial management practices by 1,500 farm operations.

- In 2007/08 staff organized and delivered 155 Environmental Farm Plan workshops to over 2,346 farm participants.
- Staff are working with groups to investigate water allocation as well as supply and demand from the Boyne River watershed to support irrigation, potable water and water needs for rural economic development in the Red River Valley.
- The development of an Assiniboine Delta Aquifer Management Plan is being developed in conjunction with stakeholders.
- Delivered Nutrient Management Regulation information sessions to explain to producers the rationale and impact of recent legislation. Extension sessions were conducted in 17 communities informing 345 producers.
- Twenty-four Covering New Ground projects demonstrated to producers sustainable management techniques such as dead stock composting, manure management, grazing and assessing soil nutrients and fertilization.

4 (a) Growing Opportunities Centres

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008 \$(000s)	2007/2008 FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	9,962.1	158.32	9,960.7	1.4	
(2) Other Expenditures	3,554.3		3,415.5	138.8	
Total Sub-Appropriation	13,516.4	158.32	13,376.2	140.2	

Appropriation 4 (b) – Economy and Rural Development

Economy and Rural Development Knowledge Centre is aimed at developing and sustaining a dynamic and viable rural and northern Manitoba and to provide leadership in the areas of economic and rural development. The Economy and Rural Development Knowledge Centre is located in Brandon and is comprised of two sections.

The Farm and Rural Champion Section's focus is development of the individual and community capacity and environment for economic growth to take place in the process of renewal toward a viable and sustainable rural and northern Manitoba. This section works to increase participation and involvement of specific target groups including youth, Aboriginal people, women, immigrants and young farmers.

The Business Development Section focuses on increasing the prevalence of value-added processing, the growing of new businesses and the fostering of entrepreneurship in rural Manitoba. Another focus is to work to maintain and enhance existing rural businesses.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To support the development of human and community capacity that facilitates and sustains vibrant rural and northern communities in Manitoba.

Four thousand rural Manitoba youth will complete a 4-H project and participate in a 4-H club.

One hundred and twenty youth from across the province will have improved skills and knowledge related to youth citizenship activities.

- As of January 2008, a total of 3,424 members and 1,404 leaders were involved in 208 4-H clubs and 3,831 projects in Manitoba.
- A total of 247 members and 147 leaders participated in 16 conferences and workshops.
- Approximately 600 leaders were screened through the 4-H youth protection program.

Community economic development, farm and business development and management and co-operative development tools will be used by communities, organizations and individuals.

- Co-operative development manuals were developed for use with community groups.
- Community Profiles website was updated.
- An assessment tool was created for use in evaluating infrastructure needs.
- A youth development framework for 4-H projects was developed incorporating departmental priorities.
- An Aboriginal 4-H leader manual was developed for use in orientation of leaders.
- Developed educational materials on board governance and conducted a webinar with Rural Leadership and Community Development Specialists and training with 14 individuals involving two co-operatives.

Strategic community and economic development plans and activities successfully developed and implemented by community and regional organizations with local input and decision-making.

- Strategic planning workshops were facilitated with Manitoba Association of Agricultural Societies, Food Manitoba, Community Futures Westman, Manitoba Agricultural Hall of Fame, Indian Agriculture

Council of Manitoba and Manitoba Farm and Rural Stress Line.

- Participated in the development of the Métis economic development strategy involving Manitoba Métis Federation and the Manitoban and Canadian governments.
- In collaboration with Manitoba 4-H Council, continued to implement their Future Focus plan including the hiring of an executive director and making a board governance shift.
- Held a Sustainable Community Development planning workshop with 40 participants from southwest Manitoba municipalities.

Objective 2:

To increase the prevalence of value-added processing and to grow businesses and economic development opportunities in rural and northern Manitoba.

Increased number of Manitobans, including young people and Aboriginal people, successfully undertaking new economic enterprises in rural and northern Manitoba.

Development and diversification of the rural and northern Manitoba economy including increased employment, investment and tax revenues.

Increased number of entrepreneurs starting businesses.

- The Young Farm Women's Training Program was developed and launched in 2008 and is aimed at providing farm skill development for young farm women.
- The Young Rural Aboriginal Entrepreneurship Initiative was also developed and was launched at the Indian Agriculture Council of Manitoba meeting in February 2008 to encourage and develop an entrepreneurship culture and business activities.
- Developed and delivered 11 webinars as part of The Entrepreneur Series, with a total registration of 115.
- Administered Manitoba Agri-Ventures Initiatives program, supporting five value-added projects in rural communities for a total value of \$22,500.
- National Skills and Thrills Conference program included entrepreneurial skill-building for 70 rural youth.

Objective 3:

To increase the number of co-operative enterprises in rural, northern and urban Manitoba.

Fifteen new co-operatives will be registered in Manitoba.

- Twelve new co-operatives were established in Manitoba in 2007/08.
- Basic co-operative development training was provided to 70 people.
- A day care co-operative developer's guide was drafted and shared with the child care authorities.
- A pathfinder tool and co-operative funding program directory were developed for staff to work with clients on starting and maintaining a co-operative.
- Nine Cooperative Promotion Board applications were reviewed and eight projects were approved for support.
- One loan guarantee agreement was executed.
- Participated on *The Cooperatives Act* review committee.
- Developed and received Treasury Board approval for a new \$250.0 Cooperative Development Assistance program.

Objective 4:

To build strong organizations and partnerships relevant to community needs.

Collaboration will occur within programs, activities and initiatives among farm, rural and northern stakeholders, with associated increased integration and leverage of community and economic development resources to optimize benefits for rural and northern Manitobans.

Rural organizations will have community and industry volunteers with enhanced capacity and skills.

- Seven Regional Development Corporations received \$545.0 to support regional development projects as determined by the local board. RDCs reported that these funds leveraged over \$887.0 of additional funds and anticipated/resulted in the creation of 266-363 new jobs in regions.
- The Manitoba 4-H Leaders Conference developed the leadership skills of 70 community leaders.
- Approximately 145 volunteers representing more than four community organizations participated in the Manitoba Association of Agricultural Societies (MAAS) annual conference focusing on rural community development with at least two communities initiating collaborative projects.
- A Leadership for Success workshop attracted 12 young farmers.
- Mentored the steering committee planning the Manitoba Farm Women's Conference, which was attended by 101 rural women, a majority of whom reported they were "inspired to look for ways they can help improve their community."
- Co-chaired Rural Team Manitoba, which encourages intergovernmental and interdepartmental networking and collaborative action and involves 45 members from 30 agencies/departments. Rural youth migration study, models for effective community development seminar, Aboriginal business success forum and economics of child care seminar were projects undertaken by Rural Team Manitoba.
- A rural entrepreneurship roundtable was hosted with nine people including representation from two academic institutions, three entrepreneurs, a chamber of commerce, and MAFRI staff.

Objective 5:

To retain farms and businesses in rural and northern Manitoba.

- The Bridging Generations Initiative Management Training Credit program generated 88 new eligible clients, bringing the total to 622 with 109 clients completing the training and becoming eligible for the management training credit.
- A mentoring program was launched with interest expressed by three potential participants and five potential mentors.
- *Farmplan*, 30 *Cost of Production* guides for crop and livestock enterprises, and the *Capital Gains and Losses and Alternative Minimum Tax* brochures were updated.
- Nineteen Business Development Specialists received training on farm financial statements and business analysis.
- Farm Succession meetings were held in three locations with 240 participants.
- Business Succession planning meetings were held in two locations with 43 participants.

Objective 6:

To further engage Aboriginal people, immigrants, women and youth in rural and northern community economic development projects and initiatives.

One new 4-H club involving Aboriginal youth will be initiated in Manitoba.

- In the first year of providing the option for members to disclose their heritage, there were 20 Aboriginal and eight immigrant 4-H members disclosed and recorded.
- One new club based out of a First Nations community, Brokenhead First Nations, has registered.
- Participated on the Assiniboine College Aboriginal Community Development advisory board.
- Manitoba Opportunities Fund approved five projects for delivery in rural Manitoba.
- Provincial Nominee Immigration Program for Business involved responding to 24 inquiries, four immigrant applicant interviews and five selection committee meetings.
- Participated in six sessions in support of the Temporary Foreign Worker research project led by Brandon University Rural Development Institute.
- Participated in the steering committee and the infrastructure and economic development sub-committees of the Closing the Gap Initiative.
- Manitoba Women's Institute (WI) was organized in 33 local institutes and involved 527 members. Supported by a grant, WIs were involved in providing scholarships to rural students, participating in community events such as farm safety days, Agriculture in the Classroom and Made in Manitoba

breakfasts and representing rural women's interests in committees such as Workplace Safety and Health.

Objective 7:

To increase Manitoba research and innovation in community economic development.

Feasibility studies will be completed on business ideas.

Rural Forum will reach 2,000 rural people with business information and networking opportunities.

- Rural Forum 2007 renewed its focus on entrepreneurship and business development. New events included the Great Manitoba Food Fight and Entrepreneur Elimination competition.
- A total of 30 entrepreneurs participated at the Great Manitoba Food Fight competition.
- Capturing Opportunities Awards were introduced to recognize rural successes and achievements.
- The event also featured a variety of business and economic development seminars (e.g. Business Bear Pit, Innovative Food Product Development, a National, Global and Industry perspective on the Bio-Economy), a Food Commercialization trade show, a Youth Town Hall and the Manitoba Chamber of Commerce Youth Business Institute competitions.
- Registered delegate seminar attendance was 927, a 30 per cent increase over the previous year.
- In conjunction with the event, an accredited training workshop towards an economic development diploma was provided to 40 economic development practitioners.
- Rural communities also came together to discuss issues and strategies related to child care and rural education at the Forum.
- A total of 2,000 people participated in Rural Forum 2007.

Objective 8:

To foster entrepreneurial spirit and community pride among rural and northern Manitoba citizens.

- In addition to activities mentioned previously, Rural Forum celebrated the successes of Manitoba community leaders, businesses and youth through the Capturing Opportunities Awards.
- Delivered a workshop on starting a business to 20 participants.

4 (b) Economy and Rural Development

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	1,870.5	29.89	2,020.2	(149.7)	1
(2) Other Expenditures	1,403.1		1,512.6	(109.5)	
(3) Grant Assistance - Agricultural Societies					
-Grants/Transfer Payments	359.6		368.4	(8.8)	
(4) Other Grant Assistance					
-Grants/Transfer Payments	43.4		43.6	(0.2)	
(5) Grant Assistance - Regional Development Corporations					
-Grants/Transfer Payments	545.0		545.0	-	
Total Sub-Appropriation	4,221.6	29.89	4,489.8	(268.2)	

1. The under-expenditure is mainly due to lower than anticipated costs associated with new and expanded programs, including the Young Aboriginals Entrepreneur Initiative, the Young Farm Women's Training Program, Safe Farm Check Program and Co-op Development Program due to delays in implementation partially offset by unanticipated 2007/08 assistance for flooding of agricultural lands along the Assiniboine River.

Appropriation 4 (c) – Food Development Centre (FDC)

The Food Development Centre (FDC) is a Special Operating Agency of Manitoba Agriculture, Food and Rural Initiatives (MAFRI) and provides leadership in the expansion, and diversification of the agri-food industry through expertise in food processing. FDC provides these services on a fee-for-service basis for research and development of food products as well as the services of pilot plant facilities for commercial food production. FDC is committed to the mandate of MAFRI to advance greater prosperity and stability of farm families, entrepreneurs, agriculture and food partners and rural communities.

Objective 1:

To provide up-to-date, technical information to the agri-food industry and to conduct product and process development projects on a fee-for-service basis.

Fee-for-service revenues of \$554.0.

- Fee for service revenues of \$641.1.

Review of FDC's business model with respect to maximizing efficiency and effectiveness.

- Business model review complete, client flow chart revised and costing model delivered to management.

Development of 40 new food products.

- Development of 41 new food products.

Nutritional analysis of 170 products.

- Nutrition labels for 352 products.

Objective 2:

To provide education and training to industry through seminars and workshops.

Provision of FDC services within the value-added initiative in Manitoba through visits (minimum 25) to food processing companies and economic development agencies, trade shows and conferences.

- Presentation to:
 - five food processing companies
 - one economic development agency
 - nine community workshops
 - one trade commission
 - one food conference

Objective 3:

To provide technical and federally-accredited pilot plant services for the production of safe, high quality and wholesome food products.

Assistance in the introduction of ten new food products on the market.

- Six new products were introduced to the market.

Additional Results:

- Fee for service revenues of \$236.9.
- Commercial processing – six clients.
- Commercial processing – two functional food projects.
- Developed five HACCP plans.
- Sixty-one per cent capacity.

Objective 4:

To create awareness of value-added processing of agri-food commodities and to promote the capabilities of FDC, including its organic processing certification.

Initiation of 25 new client contracts.

- Met with 11 food processing companies.
- Provided introductory tours.

Expansion of primary processing to include more value-added meat products and development of value-added opportunities for meat and poultry by-products.

- Produced three value-added meat products.

Development of value-added bakery food products from wheat-based ethanol co-products for human consumption.

- Developed two bakery products using ethanol co-products.

Objective 5:

To provide Manitoba with a unique liquid food processing and packaging facility through a partnership with Great Plains Aseptic Processors (GPAP).

- FDC anticipates entering into a three-year lease agreement with GPAP effective April 1, 2008. Negotiations are in the final stages.

Objective 6:

To participate in co-operative projects that will influence the production of primary products that may be processed within Manitoba.

Support for the development and transfer of technologies (extraction technologies) of functional foods and nutraceuticals using Manitoba raw materials such as hemp, flax and sea buckthorn.

Active participation in the development and promotion of the functional foods and nutraceuticals cluster with the Richardson Centre for Functional Foods and Nutraceuticals (RCFFN) and the Canadian Centre for Agri-Food Research in Health and Medicine (CCARM).

- Worked co-operatively with the Canadian International Grains Institute (CIGI), University of Manitoba Department of Food Science, RCFFN and CCARM on Manitoba Functional Food Opportunities Program (MFFOP) projects.

4 (c) Food Development Centre

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2007/2008 \$(000s)	2007/2008 FTEs \$(000s)	Over/(Under) \$(000s)	No.
Grants/Transfer Payments	2,233.8	2,233.8	-	
Total Sub-Appropriation	2,233.8	2,233.8	-	

Appropriation 4 (d) – Food Commercialization and Marketing

The Food Commercialization and Marketing Knowledge Centre provides services to staff, producers, food processors and organizations in order to strengthen the competitive position of Manitoba's agriculture and agri-food industry in the global marketplace. In support of this objective, the knowledge centre provided marketing and business management services and information, facilitated industry promotion through collaboration and alliances, and partnered in building a diversified rural Manitoba. Delivery of programs and services was supported with media promotion, reference materials, publications, and other resources.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To strengthen the competitive position of Manitoba's agricultural industry by assisting in the commercialization of agricultural products and the investigation and expansion of markets.

Participation in appropriate local/domestic/national trade shows, missions and industry development events to increase market access and market presence of Manitoba firms.

- Collaborated with the Direct Farm Marketing Conference in introducing participants to the new Manitoba Institute of Culinary Arts at Assiniboine Community College (ACC).
- Worked in conjunction with Great Manitoba Food Fight contestants from Rural Forum and *Ciao* magazine in presenting Manitoba companies at the October 2007 Manitoba Food and Wine Show.
- Brought Great Manitoba Food Fight contestants Agriculture and Agri-food Canada (AAFC), Competitiveness, Training and Trade (CTT), the Manitoba Food Processors Association (MFPA) and 20 Manitoba companies on a trade mission to Minneapolis (Border Busters Bus Tour).
- Took eight companies to the Grocery Innovations Canada trade show in Toronto.
- Working with CTT, assisted four Manitoba companies in attending the Health Ingredients show in Japan.
- Supported incoming missions in co-operation with CTT, Food Development Centre (FDC) and AAFC including:
 - Akihito Takanashi, Consul (Economic Affairs) Consulate-General of Japan at Calgary
 - Chinese PES (Payments for Ecological Services) policy experts regarding Ecological Goods and Services topics.
 - Xinhua China news agency researching agriculture to feature in a story along with "Green Energy", Culture, Tourism and History of Winnipeg.
 - Shri Kantilal Bhuria, Minister of State for Agriculture, India, to discuss further partnerships and trade relationships between India and Manitoba.
 - Japan Buckwheat Millers Association
 - Exploratory mission of exporting Manitoba agri-food products to Bangladesh.
 - Austrian biofuel exploratory mission
 - Chinese feed technology mission in the area of animal and aquaculture feed.
 - Chinese mission to explore possible development of a beef processing plant.

Facilitation of industry seminars to increase skill sets associated with new opportunities for Manitoba agricultural commodities, food products, value-added and farm diversification activities.

- Working in collaboration with AAFC, FDC and CTT, presented a series of seminars on trade shows, providing trade show participation advice to companies going to the Health Ingredient show in Japan,

Grocery Innovations Canada show in Toronto, Border Busters in Minneapolis and the Manitoba Food and Wine Show in Winnipeg.

- Partnered with the technology transfer office at the University of Manitoba to provide training in intellectual property protection to 32 participants.
- Partnered with the Canadian Culinary Federation (CCFCC) Brandon branch to host the Westman Culinary Classic at Rural Forum, creating the first culinary team challenge plated dessert competition for both secondary and post-secondary schools.

Provision of information on market trends, market interest, market intelligence, export readiness, export capabilities, market development initiatives and agri-food research to staff, industry and agricultural entrepreneurs.

- In collaboration with GO teams and Prairies East Sustainable Agricultural Initiatives, presented a series of Winning Ways to Get Your Food Produce to Market workshops.
- In collaboration with CTT, the University of Manitoba Transport Institute and FDC brought to Winnipeg an industry expert on exporting food into Mexico as part of the Fields on Wheels Conference and to FDC to present export information to Manitoba food processors.
- Delivered training to over 29 participants in over 14 different financial assistance programs via webinar.
- Delivered Pathways to Market model two-day training to 12 new participants.
- Delivered a webinar series on Stage-Gate new product development.

Objective 2:

To increase economic activity through market development of value-added and diversified products to enhance the demand for provincially grown and processed food products.

Development of the domestic market for Manitoba agricultural and food products.

- Led the Great Manitoba Food Fight at Rural Forum, engaging 30 new food entrepreneurs in showcasing their products.
- Partnered with the Canadian Culinary Federation in presenting producer organizations and individual producers to the federation's regular meetings.
- Helped to create a new Farmers' Markets Association of Manitoba Co-operative in the province.
- Helped to bring together stakeholders from throughout the value-chain to develop a Buy Local program for Manitoba.
- Worked in a collaborative nature with MFPA and, focusing on seven strategic initiatives, collaborated on:
 - Branding
 - Partnered with MFPA members to link them with Manitoba companies and entrepreneurs at Rural Forum at the first Great Manitoba Food Fight commercialization station, at which 64 participants completed all stations.
 - Increased communication between MFPA and MAFRI by working together on sharing of information on government and industry training programs and the creation of a new Made in Manitoba products picture library.

- Regulatory
 - Worked with MFPA members to bring Manitoba issues to federal partners that affect the growth of food entrepreneurs.
 - Competition
 - Collaborated with CTT, AAFC and MFPA to train local companies on exporting into the United States to share access information by taking companies on a trade mission to Minneapolis and Japan.
 - Training, Food and Health
 - Partnered with MFPA and local companies to bring selected training programs on functional foods and nutraceuticals, assisting them to navigate the regulatory environment.
- Produced 4,500 copies of the Manitoba Food Products Directory and distributed to Department of Foreign Affairs and International Trade (DFAIT), embassies, libraries, associations, GO offices, and on trade missions.
 - Produced and distributed the U-Pick Vegetables, Market Gardens and Farmers Market brochures.
 - Maintained the Buy Manitoba MAFRI website promoting Manitoba food products.
 - Continued to expand the Regional Cuisine Contact Directory.
 - Partnered with Saskatchewan and Alberta in producing a wild crafting video, promoting the non-timber forest industry.
 - Produced Business Opportunities in Agriculture and Food Processing brochure and CD for distribution to incoming and outgoing trade missions' embassies, and Department of Foreign Affairs and Trade (DFAT).

Promotion of the Food Development Centre (FDC), MFPA, Richardson Centre for Functional Foods and Nutraceuticals (RCFFN), and Canadian Centre for Agri-food Research in Health and Medicine (CCARM) to entrepreneurs and businesses.

- Brought together the CCFCC Brandon and Winnipeg branches to FDC to promote FDC.
- Created the Great Manitoba Food Fight, targeted at promoting the use of FDC and MFPA.

Support for basic and applied research and investigations toward new diversification and value-added commercialization opportunities.

- Partnered with the Canadian International Grains Institute (CIGI) and FDC in the creation of new functional flour made up of buckwheat, flax, and wheat flours and a creation of a feasibility study on marketing functional flour.
- Worked in conjunction with "The Cluster" (The Richardson Centre, CCARM and FDC) to promote the sector attending the Health Ingredient show in Japan and a trade mission to India, as well as through work on Wellness West.

Assistance to organic companies in marketing their products through traditional and non-traditional marketing channels, including trade shows, farmers' markets, the Internet, food brokers and food wholesalers, with the goal of increasing Manitoba's share of the overall organic market.

- Worked with representatives from the Manitoba Chapter of the Organic Food Council (OFCM), Manitoba's chapter of Canadian Organic Growers (COG), and OPAM (Organic Producers Association of Manitoba) to create an industry-wide association from across the organic sector in Manitoba.

- Collaborated with the University of Manitoba, the Canadian Wheat Board (CWB) and COG to increase the transfer of information to individuals interested in organic farming and food at a transition workshop.

Objective 3:

To develop value chains in Manitoba that will assist producers, associations, manufacturers, wholesalers and retailers in increasing their competitive advantage while providing a greater return to farmers.

Increased industry capacity to capture new opportunities for Manitoba agricultural commodities, food products, and value-added and farm diversification activities, including marketing expertise.

- Partnered with Manitoba Rural Adaptation Council (MRAC) to deliver a series of value chain awareness seminars to businesses, associations and individuals.
- Continued work with the Manitoba Forage Council on the development of the Manitoba Forage-Finished Beef Association and on the creation of a value chain business plan.
- Worked with Red River College and ACC on value chain development.

4 (d) Food Commercialization and Marketing

Expenditures by Sub-Appropriation	Actual	Estimate		Variance	Expl. No.
	2007/2008 \$(000s)	FTEs	2007/2008 \$(000s)	Over/(Under) \$(000s)	
(1) Salaries and Employee Benefits	418.1	10.50	737.1	(319.0)	1
(2) Other Expenditures	329.7		514.3	(184.6)	
Total Sub-Appropriation	747.8	10.50	1,251.4	(503.6)	

1. *The under-expenditure in Food Commercialization and Marketing salaries and employee benefits is mainly due to a higher than anticipated vacancy rate.*

Appropriation 4 (e) – Infrastructure Development Grants

This program facilitates infrastructure projects which enhance sustainable economic development in various communities in Manitoba.

Infrastructure Development Grants activities also include:

- Providing communities with technical and financial assistance to foster new and expanding sustainable economic diversification projects; and
- Enhancing opportunities for local value-added economic development.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To facilitate infrastructure projects which enhance sustainable economic development in various communities in Manitoba.

Infrastructure development to meet the needs of industry.

- The Town of Neepawa wastewater treatment system upgrade and the Grand Rapids municipal infrastructure upgrade have been delayed to the 2008/09 and 2009/10 fiscal years.
- The province entered into an agreement with the federal government to participate in the Facilitating the Disposal of Specified Risk Materials (SRM) Initiative, but the capital projects related to this initiative were delayed and are expected to occur in the 2008/09 fiscal year.

Additional Results:

- \$337.0 was provided to Manitoba Culture, Heritage, Tourism and Sport for the Community Places Program which provides non-profit community organizations with funding and planning assistance for facility construction, upgrading, expansion or acquisition projects which have sustainable recreation and wellness benefits to communities.

4 (e) Infrastructure Development Grants

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Grants/Transfer Payments	337.0	3,150.0	(2,813.0)	1
Total Sub-Appropriation	337.0	3,150.0	(2,813.0)	

1. *The under-expenditure associated with Infrastructure Development Grants is mainly the result of the combined impact of lower than anticipated Specified Risk Materials capital costs and delays in the Town of Neepawa sewage treatment system and Grand Rapids municipal infrastructure upgrade, which are now expected to occur in 2008/09 and 2009/10.*

Appropriation 4 (f) – Less: Recoverable from Rural Economic Development Initiatives (REDI)

The objective of this program is to facilitate the funding necessary to enhance sustainable community and economic development in rural and northern Manitoba.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective:

To facilitate the funding necessary to enhance sustainable community and economic development in rural and northern Manitoba.

To provide the necessary funding for the delivery of Rural Economic Development Initiative programs and for the Regional Development Corporations to meet the requirements of rural and northern Manitoba.

- A total of \$1,294.3 in funding was provided for salaries and operating costs for staff members delivering economic development programs in rural and northern Manitoba.
- A total of \$267.7 in funding was provided for the Feasibility Studies Program which assists rural businesses, co-ops, community development corporations, and municipalities to access research and planning for potentially new or expanding projects that contribute to community prosperity, including the creation of jobs.
- A total of \$545.0 in funding was provided to Regional Development Corporations (RDCs) which was matched by municipal and local partner contributions, to foster communication and co-operation among member municipalities and other stakeholder groups, and to pursue regional community economic development opportunities and initiatives.
- A total of \$337.0 in funding was provided to Manitoba Culture, Heritage, Tourism and Sport for the Community Places program which provides non-profit community organizations with funding and planning assistance for facility construction, upgrading, expansion or acquisition projects.

4 (f) Less: Recoverable from Rural Economic Development Initiatives

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2007/2008 \$(000s)	2007/2008 FTEs \$(000s)	Over/(Under) \$(000s)	No.
Recoveries	(2,444.0)	(4,290.6)	1,846.6	1
Total Sub-Appropriation	(2,444.0)	(4,290.6)	1,846.6	

1. *The reduced recovery from Rural Economic Development Initiatives is mainly due to lower than anticipated expenditures for Infrastructure Development Grants.*

Appropriation 4 (g) – Rural Economic Development Initiatives (REDI)

REDI provides funding to enhance business and co-operative development; creates opportunities for youth; supports industry and helps rural communities and organizations address local priorities and needs, thereby improving the quality of life of Manitobans.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To provide funding for community economic development/business projects and strategic economic initiatives.

Increased number of business start-ups or expansions in rural and northern Manitoba.

Feasibility Studies Program

- This program assisted rural businesses, co-ops, community development corporations, and municipalities to access research and planning for potentially new or expanding projects that contribute to community prosperity, including the creation of jobs. The program provided up to 50 per cent cost-shared funding for:
 - The hiring of a consultant for financial, marketing or engineering analysis;
 - Development of a business plan; and
 - International Organization for Standardization (ISO)/Hazard Analysis Critical Control Point (HACCP) certification.
- The Feasibility Studies Program in 2007/08 approved 20 projects providing cost sharing of \$228.5 for total project costs of \$780.5, which resulted in the creation of approximately 121 new jobs in rural Manitoba.

Rural Entrepreneur Assistance Program (REA)

- In 2007/08 this program provided loan guarantees of up to \$200.0 to full-time, small and home-based operations in rural Manitoba for business start-ups or expansions through participating financial institutions. Most financial institutions in Manitoba participated in the program. The program is administered by the Manitoba Agricultural Services Corporation.
- The REA program approved 63 loan guarantees in 2007/08, consisting of 16 expansions, 29 business start-ups and 18 changes of ownership. The total amount of the loan guarantees was \$6,943.2.

Community Works Loan Program

- This program provided cost-shared funding to participating Community Development Corporations (CDCs) allowing them to establish revolving capital pools that support new or expanding small businesses with loans of up to \$10.0. These micro loans fill a gap by supporting businesses that would not normally have access to assistance through traditional lending institutions.
- Since March 30, 1995 this program has provided a total of \$3.1 million in interest-free provincial loans to 72 participating CDCs. This amount was matched by community contributions of \$2.6 million, which created a combined community-based small business loan pool of \$5.7 million. Participating CDCs provided 743 business loans, totalling \$5.7 million. These loans assisted 743 businesses and helped in the creation or maintenance of 1,201 jobs.

- This program was approved to operate until March 31, 2011 and is currently under review.

The Community Enterprise Development Tax Credit (CEDTC)

- The program provided an opportunity for Manitobans to invest in their own community while offering community enterprises access to capital for start-up costs or expansions.
- The CEDTC program, in 2007/08, approved five capital offerings for a total of \$1,795.0 to finance a community-based grocery store in Bowsman, a restaurant in Langruth, a puff pastry pie manufacturing facility in Winnipeg, a community-based motel in Pilot Mound and a restaurant and lounge in Pipestone. These five approvals resulted in tax benefits of \$538.5 and created approximately 73 jobs in the respective communities.

Grow Bonds Program

- Grow Bonds allowed Manitobans to invest directly in local enterprises under provisions of *The Community Development Bonds Act*, whereby communities managed bond offerings, while the province guaranteed the bond principal. This program is no longer being offered and has been replaced with the Community Enterprise Development Tax Credit Program. Six Grow Bonds are still being administered for a total of \$5.1 million.

Increased employment opportunities for rural and northern Manitobans, including youth.

Green Team Program

- The program was administered by Manitoba Education, Citizenship and Youth and provided summer employment opportunities to rural youth 16 to 24 years of age. There are two parts to the program: one offering employment in provincial parks and the second, the Hometown component, enabling communities, municipalities, tourism operators, and conservation districts to hire youth for summer projects.
- In 2007/08, REDI contributed \$1,743.0 to this program.

Partners With Youth Program

- The program was administered by Manitoba Education, Citizenship and Youth to help improve the employability of young people facing multiple barriers to employment or who are on social assistance. Eligible participants, 18 to 29 years of age, received job search assistance, training, and other work experience for up to eight weeks through participating sponsors. The Young Entrepreneurs Program component offered grants of up to \$4.0 to youth 18 to 29 years of age to establish their own new full-time, year-round business.
- In 2007/08, REDI contributed \$393.7 to this program.

Junior Achievement (JA)

- JA is a non-profit organization with the goal to inspire and educate young Canadians to value free enterprise, understand business and recognize the importance of staying in school through the delivery of in-school and after-school programs.
- REDI contributed \$97.0 in 2007/08 toward the cost of program delivery in rural and northern Manitoba.

Manitoba Chamber of Commerce – Youth Business Institute (YBI)

- In support of the Youth Entrepreneurial Challenge delivered by the chamber under the YBI program, \$40.0 was provided in 2007/08 to support delivery of the business game to Senior I to Senior IV students. Since 1994/1995, the chamber has received \$454.9 toward the costs of the computer

game, which has taught entrepreneurial skills to over 3,000 students. A review of YBI is in progress to assess the impact of the program on the targeted student population and investigation of new technology that will increase the delivery of the program.

Increased direct and indirect local investment in infrastructure and community economic development activities and related employment.

- An investment of \$100.0 was provided to the Rural Development Institute at Brandon University to develop community economic development approaches, fund research on issues relevant to rural areas, and increase research capacity in the institution.
- An investment of \$110.0 was provided to the Community Economic Development Fund for the delivery of REDI programs in the Thompson region.

Strategic Initiatives

- This component funded strategic projects which were significant in terms of: building a foundation for sustainable economic development; diversification of the rural economy; and enhancement of programs and services.
- The program supports initiatives that bring large-scale benefits to communities and regions.
 - REDI provided funding for Rural Forum 2007, which took place April 2007 in Brandon. The forum brought communities, businesses and youth together to learn, network and celebrate success and discuss issues of importance to rural and northern communities.
 - Manitoba Intergovernmental Affairs administered REDI funds of \$250.0 to support the operation of Neighbourhood Renewal Corporations in Brandon and Thompson involved in community-driven neighbourhood revitalization efforts.
 - Manitoba Conservation administered REDI funds of \$1,012.0 to mitigate spruce budworm and \$439.8 for beach safety services.
 - Manitoba Justice administered REDI funds of \$2,000.0 to enhance rural policing.
 - REDI provided \$15.0 in grant support towards the start-up of three new community foundations in Ochre River, Ethelbert and Gilbert Plains.
 - REDI provided \$100.0 to the Winnipeg Foundation to enhance the presence of Manitoba's community foundations.
 - REDI provided \$15.0 toward the 6th Annual National Aboriginal Arts Administrators and Funders Gathering.
 - REDI provided \$75.0 to the Manitoba Great Western Harness Racing Circuit for their 2007 race season.

Objective 2:

To provide capital funding for projects that will contribute to new capital investment and sustainable community economic development in rural and northern Manitoba.

Increased direct and indirect local investment in infrastructure and community economic development activities and related employment.

Hometown Manitoba Program

- This program provided financial support for rural and northern area projects initiated by communities, organizations, co-operatives, and businesses that enhance main street areas, public places and building exteriors. The program promoted the unique identities that define communities.
- The Hometown Manitoba Program, in 2007/08, approved 267 applications representing \$482.4 in financial support. Program funding leveraged an additional \$2,897.9, resulting in a capital investment in rural and northern communities to enhance main street areas and building exteriors of over \$3.3 million.

Increased levels of capital investment in rural and northern Manitoba.

- REDI provided funding of \$2,984.0 for sewer and water projects through the Manitoba Water Services Board.
- REDI provided funding of \$425.0 for Conservation Districts administered by Manitoba Water Stewardship.
- Manitoba Intergovernmental Affairs administered REDI funds to assist communities in providing transportation services for mobility disadvantaged persons.

4 (g) Rural Economic Development Initiatives

Expenditures by Sub-Appropriation	Actual	Estimate	Variance	Expl.
	2007/2008 \$(000s)	2007/2008 FTEs \$(000s)	Over/(Under) \$(000s)	No.
(1) Programs - Operating	13,087.8	15,151.8	(2,064.0)	1
(2) Programs - Capital Grants	4,150.0	5,956.5	(1,806.5)	2
Total Sub-Appropriation	17,237.8	21,108.3	(3,870.5)	

1. *The REDI Programs – Operating variance is mainly due to lower than anticipated expenditures for Livestock Industry Development Assistance, Ruminant Meat Processing programs, Economic Development program operating, Community Works Loan Program and Green Team. This was partially offset by an increase in Rural Entrepreneur Assistance loan guarantee provisions due to increased program activities resulting from program enhancements.*
2. *The under-expenditure in REDI Programs – Capital Grants is mainly due to the lower than anticipated costs related to Infrastructure Development grants, including Specified Risk Materials capital costs, delays in the Town of Neepawa sewage treatment system and Grand Rapids municipal infrastructure upgrade, which are now expected to occur in 2008/09 and 2009/10, as well as lower than anticipated Hometown Manitoba grant requests.*

Appropriation 5 – Costs Related to Capital Assets

The main objective of Costs Related to Capital Assets is to provide for amortization and interest on capital expenditures.

Standard accounting practices, in accordance with the Canadian Institute of Chartered Accountants, require expenditures on tangible capital assets be amortized over the useful life of the asset. The cost of the capital assets is recorded in Capital Investment (Part B) and amortization and interest provisions are included as an operating expense (Part A). A half-year's worth of amortization is recorded on assets acquired or disposed of during the year. Assets acquired during the year, with a value less than the accepted capitalization limit, were expensed in their respective operating areas.

The department's tangible capital assets include machinery and equipment, as well as the department's share of the costs related to desktop management and computer hardware and transition costs.

Interest costs on borrowings related to investments in tangible capital assets are charged to the department based on the average net book value for the year.

The expected results, as planned during the 2007/08 estimates process, are displayed below in italics followed by bulleted actual results.

Objective 1:

To comply with Canadian Institute of Chartered Accountants standards that require that expenditures on tangible capital assets be amortized over the useful life of the asset.

Recognizing amortization in this way allocates the cost of capital assets to the periods of service provided and amortization is recorded as an expense in the statement of operations.

- Desktop Services and Amortization Expense costs were recorded in compliance with Canadian Institute of Chartered Accountants standards in 2007/08 for Manitoba Agriculture, Food and Rural Initiatives.

Objective 2:

To provide for interest costs related to capital investment decisions made by the department.

Provision of financing costs for capital investment related to the department.

- Interest Expense was recorded in compliance with Canadian Institute of Chartered Accountants standards in 2007/08 for Manitoba Agriculture, Food and Rural Initiatives.

5 Costs Related to Capital Assets

Expenditures by Sub-Appropriation	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
(a) Desktop Services				
(1) Amortization Expense - Transition	80.2	80.3	(0.1)	
(2) Enterprise Software Licenses	131.3	131.3	-	
Total Sub-Appropriation	211.5	211.6	(0.1)	
(b) Amortization Expense	331.6	344.4	(12.8)	
(c) Interest Expense	65.2	72.6	(7.4)	
Total Appropriation	608.3	628.6	(20.3)	

SECTION ONE
PART B
CAPITAL INVESTMENT
INFORMATION

Part B – Capital Investment

Capital investment provides for the acquisition of equipment. For more information on tangible capital assets and their amortization see Vote 5.

Part B - Capital Investment

	Actual 2007/2008 \$(000s)	Estimate 2007/2008 FTEs \$(000s)	Variance Over/(Under) \$(000s)	Expl. No.
Capital Investment	404.5	-	435.0	(30.5)
TOTAL	404.5	0.00	435.0	(30.5)

SECTION TWO
ADDITIONAL FINANCIAL
INFORMATION
AND APPENDICES

Appendix A
Manitoba Agriculture, Food and Rural Initiatives
Part A - Program Expenditure Summary

for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

Actual 2007/2008 \$(000's)	Actual 2006/2007 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.	Appropriation	Actual 2007/2008 \$(000's)	Estimate 2007/2008 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.
03-1 POLICY AND MANAGEMENT								
42.1	30.3	11.8	1	(a) Minister's Salary	42.1	31.0	11.1	18
				(b) Executive Support				
537.6	527.1	10.5		(1) Salaries and Employee Benefits	537.6	563.7	(26.1)	
93.0	92.4	0.6		(2) Other Expenditures	93.0	66.0	27.0	
22.5	65.3	(42.8)	2	(3) Policy Studies	22.5	71.2	(48.7)	
				(c) Strategic Planning Directorate				
426.4	393.9	32.5		(1) Salaries and Employee Benefits	426.4	530.1	(103.7)	
160.3	137.8	22.5		(2) Other Expenditures	160.3	154.8	5.5	
				(d) Policy Analysis				
1,144.7	1,312.9	(168.2)		(1) Salaries and Employee Benefits	1,144.7	1,381.5	(236.8)	19
391.0	387.1	3.9		(2) Other Expenditures	391.0	385.3	5.7	
				(e) Knowledge Management				
1,256.8	1,363.9	(107.1)		(1) Salaries and Employee Benefits	1,256.8	1,592.4	(335.6)	19
292.3	234.2	58.1		(2) Other Expenditures	292.3	266.0	26.3	
				(f) Boards, Commissions and Legislation				
405.5	373.6	31.9		(1) Salaries and Employee Benefits	405.5	473.5	(68.0)	
540.8	498.2	42.6		(2) Other Expenditures	540.8	627.2	(86.4)	
29.3	35.7	(6.4)		(3) Grant Assistance - Special Farm Assistance	29.3	100.0	(70.7)	20
				(g) Financial and Administrative Services				
752.5	630.3	122.2		(1) Salaries and Employee Benefits	752.5	938.1	(185.6)	
250.8	196.3	54.5		(2) Other Expenditures	250.8	346.6	(95.8)	
				(h) Human Resource Management Services				
371.9	346.0	25.9		(1) Salaries and Employee Benefits	371.9	361.0	10.9	
47.5	42.3	5.2		(2) Other Expenditures	47.5	56.5	(9.0)	
6,765.0	6,667.3	97.7		Subtotal 03-1	6,765.0	7,944.9	(1,179.9)	

Appendix A

Manitoba Agriculture, Food and Rural Initiatives

Part A - Program Expenditure Summary

for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

Actual 2007/2008 \$(000's)	Actual 2006/2007 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.	Appropriation	Actual 2007/2008 \$(000's)	Estimate 2007/2008 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.
03-2 RISK MANAGEMENT, CREDIT AND INCOME SUPPORT PROGRAMS								
(a) Manitoba Agricultural Services Corporation								
8,681.6	8,772.1	(90.5)		(1) Administration	8,681.6	10,132.3	(1,450.7)	21
36,780.5	28,268.3	8,512.2	3	(2) Insurance Premiums	36,780.5	37,709.0	(928.5)	
951.9	714.7	237.2	4	(3) Wildlife Damage Compensation	951.9	747.9	204.0	22
587.7	1,053.7	(466.0)	5	(4) Net Interest Costs, Loan Provisions and Program Incentives	587.7	931.6	(343.9)	23
(b) Canadian Agricultural Income Stabilization Program								
-	74,279.7	(74,279.7)	6	Canadian Agricultural Income Stabilization Program	-	-	-	
75,601.3	-	75,601.3	6	Agri-Stability	75,601.3	36,826.7	38,774.6	24
14,108.6	-	14,108.6	6	Agri-Invest	14,108.6	14,579.0	(470.4)	
14,849.0	-	14,849.0	6	Ruminant Sector Support	14,849.0	-	14,849.0	25
585.1	647.3	(62.2)		(c) Livestock Industry Development Assistance	585.1	1,000.0	(414.9)	26
27,922.5	26,234.5	1,688.0	7	(d) Farmland School Tax Rebate	27,922.5	28,800.0	(877.5)	
(1,345.1)	(1,088.6)	(256.5)	8	(e) Less: Recoverable from Rural Economic Development Initiatives	(1,345.1)	(1,598.2)	253.1	27
178,723.1	138,881.7	39,841.4		Subtotal 03-2	178,723.1	129,128.3	49,594.8	

Appendix A

Manitoba Agriculture, Food and Rural Initiatives

Part A - Program Expenditure Summary

for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

Actual 2007/2008 \$(000's)	Actual 2006/2007 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.	Appropriation	Actual 2007/2008 \$(000's)	Estimate 2007/2008 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.
03-3 AGRI-INDUSTRY DEVELOPMENT AND INNOVATION								
(a) Livestock Industry								
4,390.6	3,821.4	569.2	9	(1) Salaries and Employee Benefits	4,390.6	4,332.1	58.5	
1,949.4	2,059.5	(110.1)		(2) Other Expenditures	1,949.4	1,775.0	174.4	
533.8	494.6	39.2		(3) Grant Assistance - Operating	533.8	494.9	38.9	
200.4	200.0	0.4		(4) Grant Assistance - Capital	200.4	200.0	0.4	
(b) Chief Veterinary Office/Food Safety								
1,277.8	1,116.7	161.1	9	(1) Salaries and Employee Benefits	1,277.8	1,385.7	(107.9)	
1,282.9	1,211.6	71.3		(2) Other Expenditures	1,282.9	1,396.0	(113.1)	
(c) Crop Industry								
2,203.7	2,171.1	32.6		(1) Salaries and Employee Benefits	2,203.7	2,303.7	(100.0)	
667.6	643.9	23.7		(2) Other Expenditures	667.6	724.7	(57.1)	
(d) Agri-Environment								
1,390.1	1,379.5	10.6		(1) Salaries and Employee Benefits	1,390.1	1,887.3	(497.2)	28
527.9	548.0	(20.1)		(2) Other Expenditures	527.9	736.3	(208.4)	29
-	-	-		(3) Grant Assistance - Nutrient and Manure Management	-	2,375.0	(2,375.0)	30
(e) Land Use Planning								
825.2	747.1	78.1		(1) Salaries and Employee Benefits	825.2	800.2	25.0	
708.7	678.4	30.3		(2) Other Expenditures	708.7	748.0	(39.3)	
(f) Agri-Food Innovation and Adaptation								
1,221.9	915.4	306.5	9	(1) Salaries and Employee Benefits	1,221.9	1,295.3	(73.4)	
233.6	219.2	14.4		(2) Other Expenditures	233.6	280.9	(47.3)	
1,000.0	1,283.0	(283.0)	10	(g) Agri-Food Research and Development Initiative	1,000.0	1,000.0	-	
868.3	868.3	-		(h) Grant to the University of Manitoba	868.3	868.3	-	
332.5	332.5	-		(i) Grant to the Prairie Agricultural Machinery Institute	332.5	332.5	-	
1,038.6	732.7	305.9	11	(j) Agricultural Sustainability Initiative	1,038.6	1,118.5	(79.9)	
1,038.1	519.9	518.2	12	(k) Irrigation Development	1,038.1	600.0	438.1	31
21,691.1	19,942.8	1,748.3		Subtotal 03-3	21,691.1	24,654.4	(2,963.3)	

Appendix A
Manitoba Agriculture, Food and Rural Initiatives
Part A - Program Expenditure Summary

for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

Actual 2007/2008 \$(000's)	Actual 2006/2007 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.	Appropriation	Actual 2007/2008 \$(000's)	Estimate 2007/2008 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.
03-4 AGRI-FOOD AND RURAL DEVELOPMENT								
				(a) Growing Opportunities Centres				
9,962.1	9,403.6	558.5		(1) Salaries and Employee Benefits	9,962.1	9,960.7	1.4	
3,554.3	3,296.4	257.9		(2) Other Expenditures	3,554.3	3,415.5	138.8	
				(b) Economy and Rural Development				
1,870.5	1,694.0	176.5		(1) Salaries and Employee Benefits	1,870.5	2,020.2	(149.7)	
1,403.1	3,384.7	(1,981.6)	13	(2) Other Expenditures	1,403.1	1,512.6	(109.5)	32
359.6	342.2	17.4		(3) Grant Assistance - Agricultural Societies	359.6	368.4	(8.8)	
43.4	43.5	(0.1)		(4) Other Grant Assistance	43.4	43.6	(0.2)	
				(5) Grant Assistance - Regional Development Corporations	545.0	545.0	-	
2,233.8	2,382.8	(149.0)		(c) Food Development Centre	2,233.8	2,233.8	-	
				(d) Food Commercialization and Marketing				
418.1	454.1	(36.0)		(1) Salaries and Employee Benefits	418.1	737.1	(319.0)	21
329.7	468.5	(138.8)		(2) Other Expenditures	329.7	514.3	(184.6)	
337.0	2,599.7	(2,262.7)	14	(e) Infrastructure Development Grants	337.0	3,150.0	(2,813.0)	33
				(f) Less: Recoverable from Rural Economic Development Initiatives	(2,444.0)	(4,290.6)	1,846.6	34
				(g) Rural Economic Development Initiatives				
13,087.8	12,074.4	1,013.4	16	(1) Programs - Operating	13,087.8	15,151.8	(2,064.0)	35
4,150.0	5,487.4	(1,337.4)	17	(2) Programs - Capital Grants	4,150.0	5,956.5	(1,806.5)	36
35,850.4	38,427.2	(2,576.8)		Subtotal 03-4	35,850.4	41,318.9	(5,468.5)	

Appendix A
Manitoba Agriculture, Food and Rural Initiatives
Part A - Program Expenditure Summary

for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

Actual 2007/2008 \$(000's)	Actual 2006/2007 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.	Appropriation	Actual 2007/2008 \$(000's)	Estimate 2007/2008 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.
03-5 COSTS RELATED TO CAPITAL ASSETS								
				(a) Desktop Services				
80.2	80.2	-		(1) Amortization Expense - Transition	80.2	80.3	(0.1)	
131.3	130.8	0.5		(2) Enterprise Software Licenses	131.3	131.3	-	
331.6	289.8	41.8		(b) Amortization Expense	331.6	344.4	(12.8)	
65.2	48.1	17.1		(c) Interest Expense	65.2	72.6	(7.4)	
608.3	548.9	59.4		Subtotal 03-5	608.3	628.6	(20.3)	
TOTAL: DEPARTMENT OF AGRICULTURE, FOOD AND RURAL INITIATIVES								
243,637.9	204,467.9	39,170.0			243,637.9	203,675.1	39,962.8	

Appendix A

Manitoba Agriculture, Food and Rural Initiatives

Part A - Program Expenditure Summary

for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

Actual 2007/2008 to Actual 2006/2007 Explanations:

1. *The increase in costs associated with the Minister's Salary for 2007/08 is due to the formula established by the Pay Commissioner.*
2. *The decrease in Executive Support – Policy Studies is mainly due to lower costs associated with departmental policy development in 2007/08.*
3. *Actual 2007/08 insurance premiums were higher than 2006/07 premiums mainly due to higher crop values and higher premium rates caused by the updating of the program's loss experience.*
4. *Wildlife Damage Compensation's increase from 2006/07 is mainly due to higher crop values and an increase in claim activity.*
5. *2007/08 Net Interest Costs, Loan Provisions and Program Incentives costs were lower than the prior year due to higher net interest income caused mainly by the expiry of the rate reductions on BSE loans partially offset by interest concessions and loan provisions for the new Hog Assistance Loan Program. The Young Farmer Rebates and Rural Entrepreneurial Assistance (REA) loan provision costs were also higher than the prior year due to the enhancements to these programs.*
6. *In 2007/08, the Canadian Agricultural Income Stabilization (CAIS) Program was replaced with the Agri-Stability and Agri-Invest programs. Costs for the Agri-Stability program, including prior years' adjustments, totalled \$75.6 million primarily as a result of large income losses in the livestock sector compared to \$74.3 million for the 2006/07 CAIS program. Agri-Invest, for which costs totalled \$14.1 million, is a new savings account program, introduced in 2007/08, where producers can contribute annually based on Allowable Net Sales of eligible commodities and governments match the contribution. Lastly, in 2007/08, the Province had a one-time Ruminant Sector Support program, which included direct payments to producers based on up to 3% of net livestock sales, as well as direct payments to cattle producers conducting tuberculosis testing and changes to BSE recovery loans.*
7. *The increase in the 2007/08 Farmland School Tax Rebate is primarily due to the increase in the rebate rate from 60% in 2006/07 to 65% in 2007/08 partially offset by prior year adjustments to claim estimates.*
8. *The increase from the prior year is mainly due to an increase in program activities in the Rural Entrepreneurial Assistance (REA) loan guarantee provisions in 2007/08 resulting from program enhancements, which is recoverable from Rural Economic Development Initiatives (REDI).*
9. *The increase in departmental salaries and employee benefits is mainly due to filling of vacancies, a general salary increase and an increase in severance payments.*
10. *The decrease in 2007/08 costs for the Agri-Food Research and Development Initiative is mainly due to funding a larger amount of research and development project costs from REDI.*

Appendix A
Manitoba Agriculture, Food and Rural Initiatives
Part A - Program Expenditure Summary

for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

11. *The Agricultural Sustainability Initiative provides funding and technical assistance to carry out sustainable agriculture projects with the goal of offering new farming options to producers that improve the agriculture industry's environmental performance. On an annual basis, costs can vary for a number of reasons, including client demand and weather conditions. The increase in 2007/08 can also be partially attributed to a 2006/07 review of program criteria, which delayed that year's approval process, and may have caused some clients to cancel or scale back field projects.*
12. *The increase in 2007/08 costs associated with Irrigation Development is mainly due to 2006/07 project costs carried over into 2007/08 due to expenditure management measures in 2006/07.*
13. *The decrease in Economy and Rural Development from the prior year is mainly the result of \$2,390.0 in assistance in 2006/07 for flooding of agricultural lands along the Assiniboine River in 2005 and 2006, due to the operation of the Shellmouth Reservoir compared to 2007/08 assistance of \$412.5.*
14. *The decrease in Infrastructure Development Grants is primarily due to delays in 2007/08 projects. In 2006/07, grants were provided for the Eastman Education Centre, the Glenlea Farm Education Centre at the National Centre for Livestock and Environment and the Richardson Centre for Functional Foods and Nutraceuticals bio-processing facility.*
15. *The decrease from recoveries for the prior year is mainly the result of lower expenditures in the Infrastructure Development Grants.*
16. *The increase from the prior year is mainly the result of increased Ruminant Meat Processing Program costs due to the Manitoba Cattle Enhancement Council refundable levy, which matched levy revenue collected on cattle starting April 1, 2007, and higher Rural Entrepreneurial Assistance loan guarantee provisions due to greater program activity resulting from program enhancements in 2007/08 as well as increased Rural Police and research and development costs. These increases were partially offset by decreases related to completion of funding agreements in 2006/07 for the Keystone Centre and the Special Olympics 2006 Summer Games.*
17. *The 2007/08 decrease in recoveries for Rural Economic Development Initiatives – Programs – Capital Grants is mainly the result of lower expenditures in the Infrastructure Development Grants.*

Appendix A

Manitoba Agriculture, Food and Rural Initiatives

Part A - Program Expenditure Summary

for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

18. *The over-expenditure associated with the Minister's Salary for 2007/08 is due to an in-year salary increase based on the formula established by the Pay Commissioner.*
19. *The salaries and benefits under-expenditure is mainly due to a higher than anticipated vacancy rate.*
20. *The Special Farm Assistance Fund under Boards, Commissions and Legislation provides financial guarantees to producers in severe financial distress to assist them in sustaining their farming operations. Requests for assistance were lower than anticipated in 2007/08.*
21. *Actual 2007/08 Manitoba Agricultural Services Corporation administration costs were lower than anticipated mainly due to a lower than average claim year, higher than average staff turnover and reductions in travel and communication costs. These decreases were partially offset by retro-active salary and benefit increases for the new adjustor collective agreement.*
22. *Wildlife Damage Compensation costs were higher than budget mainly due to higher than average claim activity and larger than average claims.*
23. *Actual 2007/08 expenditures were lower than budget mainly due to: higher than expected net interest income partially offset by interest concessions and loan provisions for the new Hog Assistance Loan Program; and a higher REA loan guarantee loss provision caused by higher than expected activity in the program.*
24. *The over-expenditure is mainly due to payments made under the new Agri-Stability program as a result of larger income losses in 2007/08 in the livestock sector than originally forecasted under the Canadian Agricultural Income Stabilization program caused, in part, by a sharp increase in feed costs in the last quarter of the year.*
25. *The Province had a one-time Ruminant Sector Support program in 2007/08, which included direct payments to producers based on up to 3% of net livestock sales, direct payments to cattle producers conducting tuberculosis testing and changes to existing BSE recovery loans to defer principal payments for the next three years.*
26. *The variance in Livestock Industry Development Assistance is mainly due to fewer than anticipated feasibility studies undertaken and less than anticipated program sponsored client activity.*

Appendix A

Manitoba Agriculture, Food and Rural Initiatives

Part A - Program Expenditure Summary

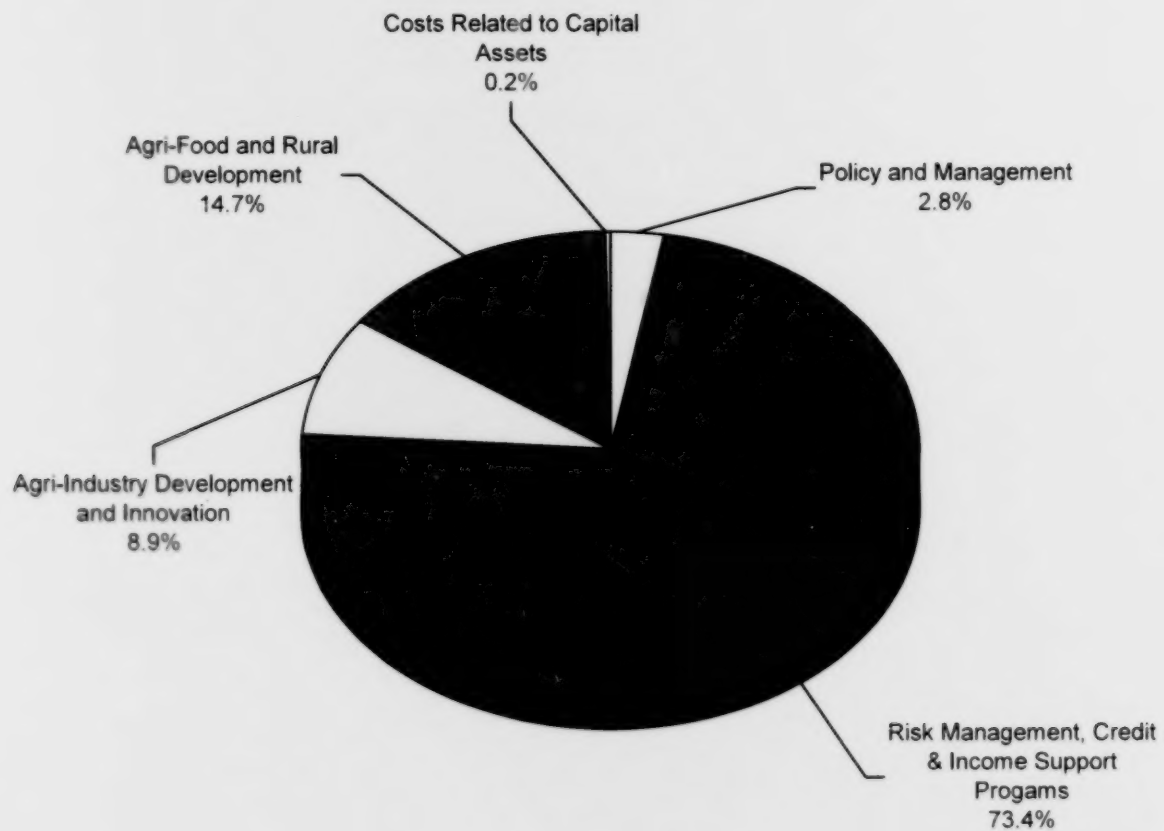
for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

27. *The reduced recovery from Rural Economic Development Initiatives is primarily due to less expenditures under the Livestock Industry Development Assistance program partially offset by an increase in Rural Entrepreneurial Assistance loan guarantee provisions due to increased program activities resulting from program enhancements.*
28. *The under-expenditure in Agri-Environment salaries and employee benefits is mainly due to a higher than anticipated vacancy rate in the Nutrient and Manure Management and the Soil Survey programs.*
29. *The variance in Agri-Environment other expenditures is primarily the result of lower than anticipated operating costs due to vacant positions as well as a delay in finalizing Nutrient and Manure Management program details.*
30. *The variance is primarily the result of a delay in finalizing Nutrient and Manure Management program details. Program implementation is expected to occur in 2008/09.*
31. *The over-expenditure in Irrigation Development is primarily due to deferral of 2006/07 projects to 2007/08 resulting from departmental expenditure management measures adopted in 2006/07 to accommodate other priority programming needs.*
32. *The under-expenditure in Economy and Rural Development is mainly due to lower than anticipated costs associated with new and expanded programs, including the Young Aboriginals Entrepreneur Initiative, the Young Farm Women's Training Program, Safe Farm Check Program and Co-op Development Program due to delays in implementation partially offset by unanticipated 2007/08 assistance for flooding of agricultural lands along the Assiniboine River.*
33. *The under-expenditure associated with Infrastructure Development Grants is mainly the result of the combined impact of lower than anticipated Specified Risk Materials capital costs and delays in the Town of Neepawa sewage treatment system and Grand Rapids municipal infrastructure upgrade, which are now expected to occur in 2008/09 and 2009/10.*
34. *The reduced recovery from Rural Economic Development Initiatives is mainly due to lower than anticipated expenditures for Infrastructure Development Grants.*
35. *The REDI Programs – Operating variance is mainly due to lower than anticipated expenditures for Livestock Industry Development Assistance, Ruminant Meat Processing programs, Economic Development program operating, Community Works Loan Program and Green Team. This was partially offset by an increase in Rural Entrepreneur Assistance Loan guarantee provisions due to increased program activities resulting from program enhancements.*
36. *The under-expenditure in REDI Programs – Capital Grants is mainly due to the lower than anticipated costs related to Infrastructure Development grants, including Specified Risk Materials capital costs, delays in the Town of Neepawa sewage treatment system and Grand Rapids municipal infrastructure upgrade, which are now expected to occur in 2008/09 and 2009/10, as well as lower than anticipated Hometown Manitoba grant requests.*

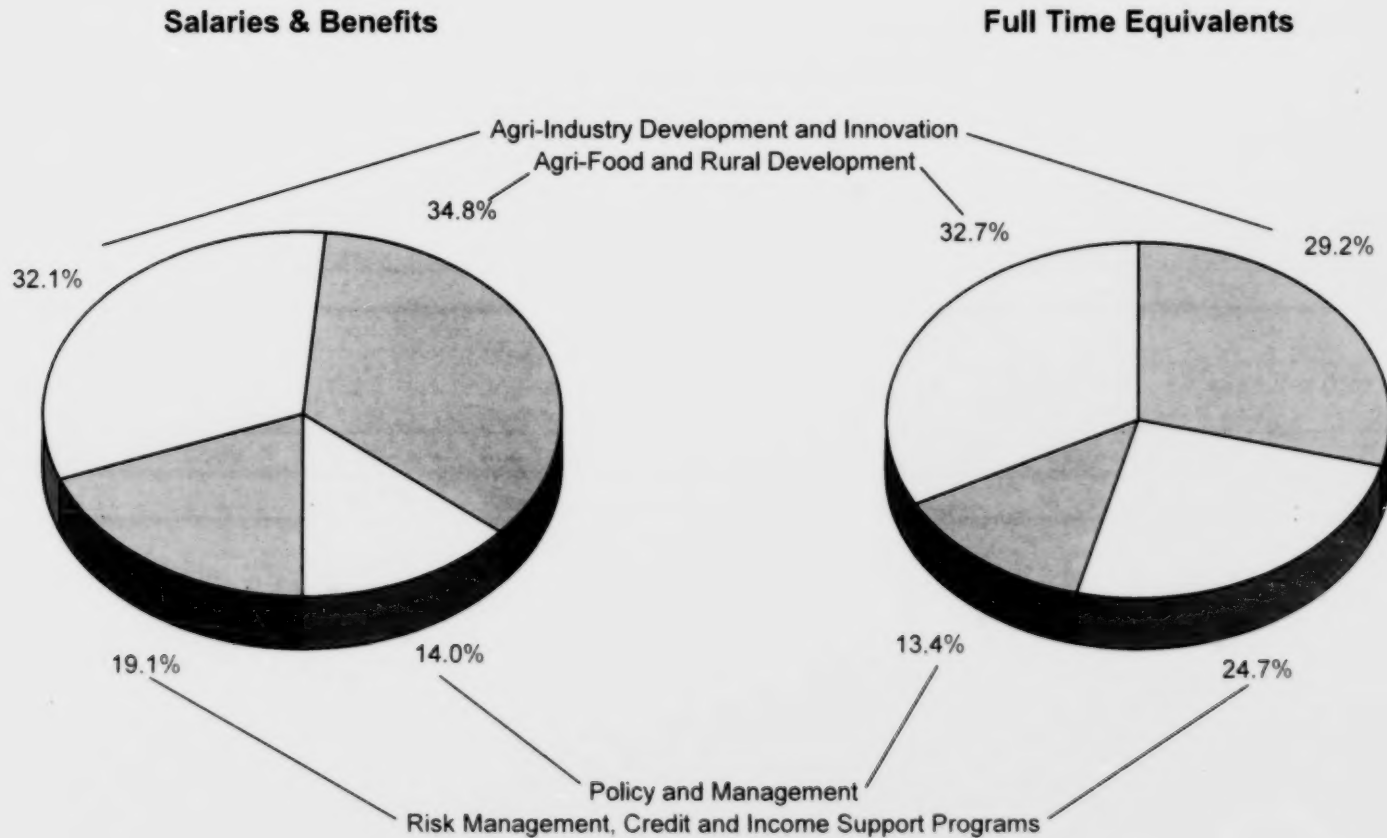
Appendix B
Manitoba Agriculture, Food and Rural Initiatives
Reconciliation Statement

DETAILS	2007/2008 ESTIMATES \$(000's)
2007/2008 MAIN ESTIMATES MAIN ESTIMATES AUTHORITY TRANSFERRED	203,675.1 -
2007/2008 ESTIMATE	203,675.1

Appendix C
Manitoba Agriculture, Food and Rural Initiatives
Distribution by Main Appropriation
2007/2008 Expenditures



Appendix D
Manitoba Agriculture, Food and Rural Initiatives
Percentage Distribution of Salaries & Employee Benefits
And Full Time Equivalents - 2007/2008



Appendix E

Manitoba Agriculture, Food and Rural Initiatives

Revenue Summary By Source

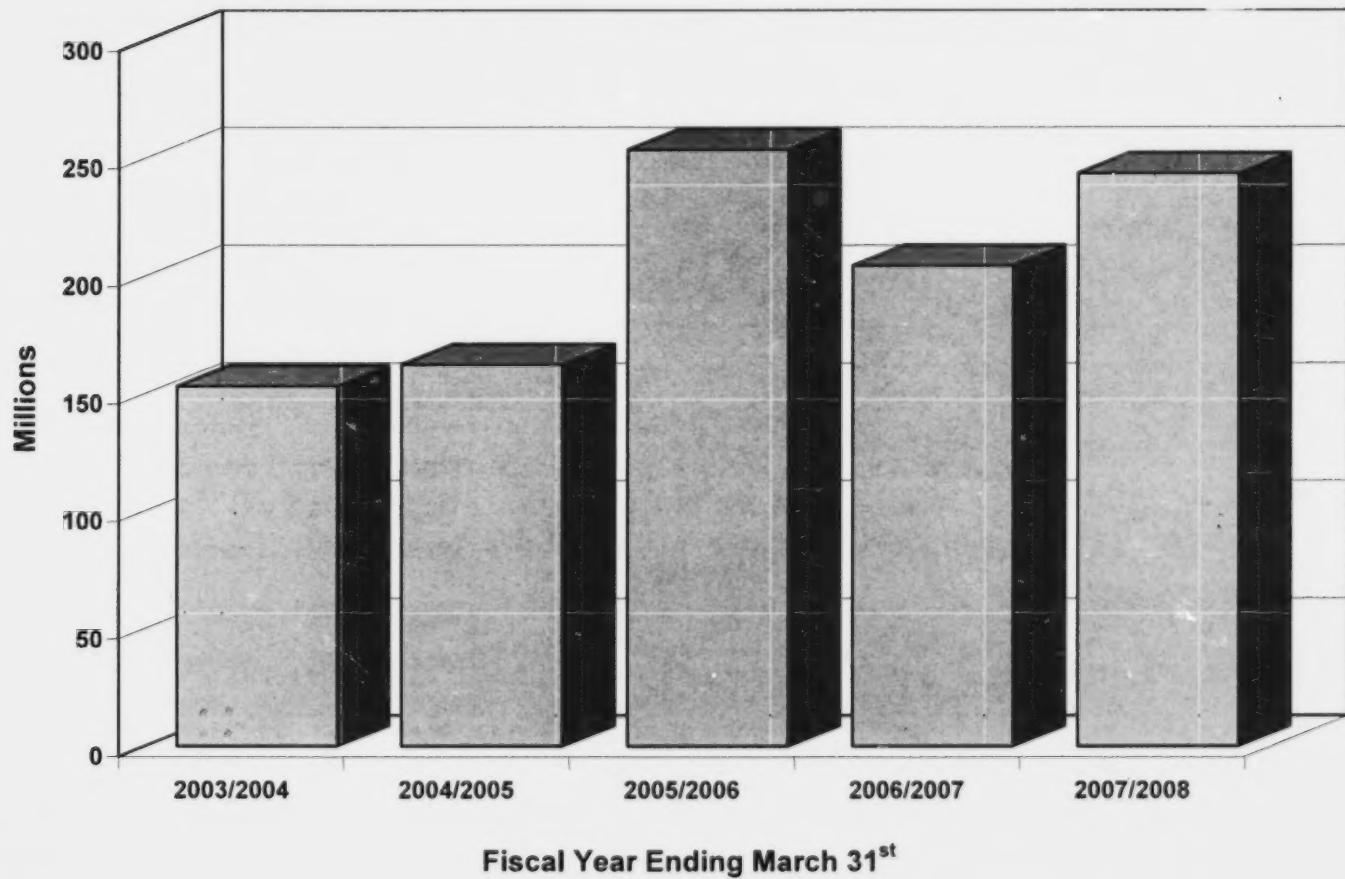
for the fiscal year ended March 31, 2008 with comparative figures for the previous fiscal year

Actual 2007/2008 \$(000's)	Actual 2006/2007 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.	Source	Actual 2007/2008 \$(000's)	Estimate 2007/2008 \$(000's)	Increase/ (Decrease) \$(000's)	Expl. No.
CURRENT OPERATING PROGRAMS:								
Government of Canada:								
2.4	4.3	(1.9)		Rabies Indemnity	2.4	2.4	-	
-	-	-		Animal Health Surveillance	-	115.0	(115.0)	5
202.2	-	202.2	1	Income Support Administration Recovery	202.2	99.1	103.1	6
280.9	-	280.9	2	Specified Risk Material Program	280.9	-	280.9	7
398.6	149.7	248.9	3	Soil Survey Program Recovery	398.6	550.0	(151.4)	8
884.1	154.0	730.1		Sub-Total	884.1	766.5	117.6	
Other Revenue:								
3,168.3	3,015.7	152.6	4	(a) Fees	3,168.3	3,456.1	(287.8)	9
55.7	43.7	12.0		(b) Sundry	55.7	48.4	7.3	
3,224.0	3,059.4	164.6		Sub-Total	3,224.0	3,504.5	(280.5)	
4,108.1	3,213.4	894.7		Total Department Revenue	4,108.1	4,271.0	(162.9)	

Explanation Number

1. *The increase in the Income Support Administration Recovery, which is a recovery of eligible provincial Agricultural Income Stabilization program administration, resulted from two fiscal years worth of revenue being recovered in 2007/08.*
2. *An unanticipated recovery from the Government of Canada was realized due to the new Specific Risk Material initiative approved during 2007/08 toward which the federal government is contributing 60% of project costs.*
3. *The increase in Government of Canada – Soil Survey Program Recovery is mainly due to fewer vacant positions in the expanded Soil Survey Program in 2007/08.*
4. *The increase in Other Revenue - Fees was mainly the result of 2006/07 payments processed in 2007/08 for Agricultural Crown Lands – Lease Rentals and for Apiary Inspection & Disease Control, Veterinary Diagnostic fee increases averaging 5% - 10% effective January 2008 and other minor increases/decreases due to client demand.*
5. *The variance reflects no recoveries for Animal Health Surveillance due to a delay in hiring of a Quality Assurance officer and unsuccessful negotiations with Canadian Food Inspection Agency to obtain contributions toward lab equipment purchases.*
6. *The increase in Government of Canada – Income Support Administration Recovery is the result of recovering 2006/07 revenue in 2007/08.*
7. *An unanticipated recovery from the Government of Canada was realized due to the new Specific Risk Material initiative approved during 2007/08 toward which the federal government is contributing 60% of project costs.*
8. *The variance in Government of Canada – Soil Survey Program Recovery is primarily due to vacant positions, for which costs are recoverable.*
9. *Other Revenue – Fees was lower than anticipated mainly due to a delay in implementing the Veterinary Diagnostic fee increases approved in the 2007/08 estimates originally expected to take effect April 1st but implemented January 2008.*

Appendix F
Manitoba Agriculture, Food and Rural Initiatives
Five Year Expenditure History
For Years Ending March 31, 2004 to March 31, 2008



Appendix G
Manitoba Agriculture, Food and Rural Initiatives
Five Year Expenditure and Staffing Summary by Main Appropriation

for the fiscal years ending March 31, 2004 to March 31, 2008

Actual / *Adjusted Expenditures										
Main Appropriation	2003/2004 ⁽¹⁾		2004/2005 ⁽²⁾		2005/2006 ⁽²⁾		2006/2007		2007/2008	
	FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)	FTEs	\$(000's)
03-1 Policy and Management	-	-	71.58	6,257.5	81.00	6,478.6	81.00	6,667.3	81.00	6,765.0
03-2 Risk Management, Credit and Income Support Programs	-	-	158.00	103,260.2	150.00	194,701.6	150.00	138,881.7	150.00	178,723.1
03-3 Agri-Industry Development and Innovation	-	-	164.99	17,581.7	170.47	16,845.3 ⁽³⁾	176.97	19,942.8 ⁽⁴⁾	176.97	21,691.1
03-4 Agri-Food and Rural Development	-	-	210.61	34,867.4	197.71	35,041.4	197.71	38,427.2	198.71	35,850.4
03-5 Costs Related to Capital Assets	-	-	-	508.8	-	525.7	-	548.9	-	608.3
Administration and Finance	35.39	2,636.1	-	-	-	-	-	-	-	-
Risk Management and Income Support Programs	101.00	89,386.6	-	-	-	-	-	-	-	-
Manitoba Agricultural Credit Corporation	61.00	5,916.8	-	-	-	-	-	-	-	-
Agricultural Development and Marketing	157.73	15,820.7	-	-	-	-	-	-	-	-
Regional Agricultural Services	220.87	15,057.2	-	-	-	-	-	-	-	-
Rural & Northern Community Economic Development	30.00	18,253.7	-	-	-	-	-	-	-	-
Policy and Economics	26.19	2,565.8	-	-	-	-	-	-	-	-
Agriculture Research and Development	-	3,146.1	-	-	-	-	-	-	-	-
Amortization and Other Costs Related to Capital Assets	-	486.1	-	-	-	-	-	-	-	-
Total Departmental Appropriations	632.18	153,269.1	605.18	162,475.6	599.18	253,592.6	605.68	204,467.9	606.68	243,637.9

* Adjusted figures reflect historical data on a comparable basis in those appropriations affected by a re-organization during the years under review.

Appendix G
Manitoba Agriculture, Food and Rural Initiatives
Five Year Expenditure and Staffing Summary by Main Appropriation
for the fiscal years ending March 31, 2004 to March 31, 2008

Explanations:

1. The department's programs and services were realigned in 2005/06 to reflect the department's organizational structure under the Growing Opportunities Initiative to best meet local community and industry needs and to reflect its expanded mandate. Historical information for the 2003/04 fiscal year continues to be reflected in the previous organizational structure.
2. The 2004/05 and 2005/06 actuals have been adjusted to reflect the 2006/07 transfer of: 1.00 FTE from the Department of Conservation for administrative support; (4.00) FTEs to the Department of Energy, Science and Technology to reflect the ICT restructuring initiative; and (8.00) FTEs to the Department of Transportation and Government Services for the establishment of the Crown Lands and Property Agency.
3. The department was authorized to establish 10.00 FTEs during 2005/06 for four new soil survey teams to support the Province's mapping services.
4. The department was authorized to establish 6.50 FTEs during 2006/07 for Avian Influenza surveillance and outbreak preparation activities. The 2006/07 actuals have also been adjusted to reflect the transfer of the meat inspection program from the Department of Health effective 2007/08.

APPENDIX H

Manitoba Agriculture, Food and Rural Initiatives

Statutory Responsibilities of the Minister of Agriculture, Food and Rural Initiatives

The Agricultural Producers' Organization Funding Act

The Agricultural Societies Act

The Department of Agriculture, Food and Rural Initiatives Act

The Agri-Food and Rural Development Council Act

The Agrologists Act

The Animal Care Act

The Animal Diseases Act

The Animal Liability Act

The Bee Act

The Cattle Producers Association Act

The Coarse Grain Marketing Control Act

The Co-operative Association Loans and Loans Guarantee Act

The Co-operative Promotion Trust Act

The Community Development Bonds Act

The Crown Lands Act [section 1, subsection 7.2(2), sections 7.4 to 7.6 and 35; section 4, clauses 5(1)(f), (k) and (1), subsections 5(4) and (5), section 6, clause 7(1)(d), subsections 7(2) to (6), sections 7.1, 7.3, 10, subsection 13.1(1), sections 14, 16 to 18, 21, 22, subsection 23(3), section 24, subsections 25(1) and (2), and sections 26 to 34 insofar as they relate to the administration of Crown lands designated by the Minister of Conservation as agricultural Crown lands, including setting fees and rents and issuing work permits but excluding other dispositions]

The Dairy Act

The Family Farm Protection Act

The Farm Income Assurance Plans Act

The Farm Lands Ownership Act

The Farm Machinery and Equipment Act

The Farm Practices Protection Act

The Farm Products Marketing Act

The Fruit and Vegetable Sales Act

The Horse Racing Commission Act

The Income Tax Act [sections 11.8 to 11.12]

The Land Rehabilitation Act

The Livestock and Livestock Products Act

The Livestock Industry Diversification Act

The Manitoba Agricultural Services Corporation Act

The Milk Prices Review Act

The Noxious Weeds Act

The Pesticides and Fertilizers Control Act

The Plant Pests and Diseases Act [except that portion of clause 16(c) that pertains to arborists and clause 16(i)]

The Property Tax and Insulation Assistance Act [Part III.1, and section and Part VI as they relate to Part III.1]

The Seed and Fodder Relief Act

The Veterinary Medical Act

The Veterinary Science Scholarship Fund Act

The Veterinary Services Act

The Wildlife Act [that portion of clause 89(e) that applies to compensation for damage to crops caused by wildlife as it pertains to big game and migratory waterfowl]

The Women's Institutes Act

APPENDIX I

Performance Indicators 2007-2008

AGRICULTURE, FOOD & RURAL INITIATIVES

The following section provides information on key performance measures for the department for the 2007/08 reporting year. This is the third year in which all Government of Manitoba departments have included a Performance Measurement section, in a standardized format, in their annual reports. Performance indicators in departmental annual reports are intended to complement financial results and provide Manitobans with meaningful and useful information about government activities, and their impact on the province and its citizens. For more information on performance reporting and the Manitoba government, visit www.manitoba.ca/performance.

Your comments on performance measures are valuable to us. You can send comments or questions to mbperformance@gov.mb.ca.

Manitoba Agriculture, Food and Rural Initiatives (MAFRI) reports annually on performance indicators in each of its five priority areas: farm profitability, value-added, rural economic development, environmental sustainability and health and wellness (human and animal). These measures provide the public and the department with both a current snapshot and a trend of that performance measure over a set period of time. The information is important to the department as the indicators provide a high level view and information to MAFRI as it considers programming and services for production agriculture, food and non-food processing and rural development.

What is being measured and how?	Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the most recent available value for this indicator?	What is the trend over time for this indicator?	Comments/recent actions/report links
The level of diversification within the agricultural sector, by measuring the shift in receipts among industry segments (does not include government payments).	It is important to recognize shifts in receipts that diversify, rather than consolidate, our agricultural production. Diversification can provide greater economic stability for the sector, farm communities, and the overall provincial economy.	Portion of cash receipts by industry segment, 1990 (highlights): Grains and oilseeds: 45% Other Crops: 11% Hogs: 13% Cattle: 16% Other Livestock: 15%	Data is available for 2007 and information is updated annually. Portion of cash receipts by industry segment, 2007 (highlights): Grains and oilseeds: 45% Other Crops: 11% Hogs: 21% Cattle: 12% Other Livestock: 11%	<u>Steady/Increasing –</u> Long-term trend shows a shift in livestock receipts towards hog production since 1990.	MAFRI supports diversification efforts of producers through a number of means. For example, MAFRI works in partnership with the Government of Canada to operate crop diversification centres to test new crop varieties and production techniques; knowledge on emerging trends and practices is provided through extension activities; and financial and other programs are provided to assist producers to support agricultural production. In 2007/08, MAFRI provided loan and other assistance to the hog

What is being measured and how?	Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the most recent available value for this indicator?	What is the trend over time for this indicator?	Comments/recent actions/report links
					and cattle sectors to help with cash flow issues related to a drop in prices. This assistance stabilizes income in the low ends of the price cycle and positions the sector for profitability when prices increase. The data is sensitive to price fluctuations, and the relative price increase in grains and oilseeds compared to livestock in 2007 has affected the comparisons for this indicator.
Farm profitability, by measuring total net income for Manitoba farmers. This measure combines market returns and direct program payments from government.	Farm profitability is important to Manitoba because of the need to understand market returns being received by producers, and how direct program payments stabilize the sector during periods of market decline. Policy and programming can then be adjusted or further developed to assist the sector in moving forward.	Total Net Income for Manitoba farmers (value in '000s): 2000 - \$478,000	Data available to 2007, with information updated annually. Total Net Income for Manitoba farmers showed a decline compared to the previous year (value in '000s): In 2007: \$166,000	<u>Decreasing-</u> The farm sector continues to be impacted by the trend of increasing energy prices, which directly affects farm input costs and already narrow margins. Increasing grain prices may benefit grain producers, but negatively impacts livestock operations and their feed requirements. Total Net Income for Manitoba farmers (value in '000s): 2000 - \$478,000 2001 - \$559,000 2002 - \$695,000	Although grain and oilseed prices increased in 2007, the full impact of those changes in the farm profitability measure is expected in 2008/09.

What is being measured and how?	Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the most recent available value for this indicator?	What is the trend over time for this indicator?	Comments/recent actions/report links
				2003 - \$503,000 2004 - \$278,000 2005 - \$107,000 2006 - \$304,000 2007 - \$166,000	
On-farm uptake of best management practices, by measuring the percentage of farm operations with environmental farm plans completed.	It is important to understand the likelihood of future uptake of best management practices because they are a major component of effective environmental stewardship for the sector.	05/06 – 3,400 people attended workshops 05/06 – 1,317 environmental farm plans completed	Provincial data for 2007/08 continues to show ongoing and significant growth in environmental planning by Manitoba producers: <ul style="list-style-type: none"> • 1,628 people attended workshops • 1,276 Environmental Farm Plans completed A total of 5,408 producers have completed environmental farm plans and more than 8.6 million acres have now been assessed by producers in the EFP process since program inception in 2005/06. Manitoba's farmland base is comprised of 18.7 million acres.	<u>Increasing-</u> New National Renewal Survey environment data will be available in late fall 2008. It is anticipated that it will show continued improvement based on the provincial progress noted for 2006/07.	Manitoba producers are leaders in Western Canada in the completion of environmental farm plans and the adoption of best management practices to improve the sustainability of their operations. National Renewal Survey (NRS) data for 2004 reported the following: <i>Per cent of Canadian farm operators with written environmental farm plans - NRS 2004.</i> <ul style="list-style-type: none"> • Manitoba – 13% • Saskatchewan – 8% • Alberta – 17% • Ontario – 46% • Canada Average – 29% Manitoba is also providing leadership in water protection through new nutrient management regulations that will strengthen protection of Lake Winnipeg and other water bodies. In development at the end of 2007/08 was programming to assist producers

What is being measured and how?	Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the most recent available value for this indicator?	What is the trend over time for this indicator?	Comments/recent actions/report links
					to adjust to these new regulations.
<p>The contribution of value-added agri-food exports to Manitoba's GDP, by measuring the value of "intermediate and consumer processed agri-food exports."</p> <p>Ideally, we want to see this figure increasing over time, and also increase as a proportion of the total agri-food exports.</p>	<p>When there is an increase in the proportion of agri-food exports that are value-added, relatively less primary product is being exported and growth in economic value is being provided to the sector or province.</p> <p>In addition, empowering producers to become part of a value-added effort should also strengthen farm profitability for those individuals and communities.</p>	<p>Value of "intermediate and consumer processed agri-food exports" in 2000:</p> <p>\$ 1.376 billion (MB)</p> <p>\$ 17.042 billion (CDN)</p>	<p>Data is available annually from Statistics Canada.</p> <p>Value of "intermediate and consumer processed agri-food exports" in 2007:</p> <p>\$ 1.743 billion (MB)</p> <p>\$ 20.273 billion (CDN)</p>	<p><u>Increasing-</u></p> <p>Since 2000 there has been an average annual increase of 3.33 per cent in value-added agri-food exports from Manitoba, compared to Canada as a whole, which had an annual average growth rate of 2.37 per cent.</p>	<p>MAFRI continues to focus on expanding agri-food processing. These efforts include investments in Food Development Centre's equipment and capabilities, support to the Composites Innovation Centre, and investments in the development of Manitoba's nutraceuticals and functional foods research and development infrastructure. MAFRI also launched, in partnership with Manitoba Rural Adaptation Council, a value chain development program to further support value-added product development focused on consumers' needs.</p>
<p>Manitoba's progress towards building or maintaining vibrant rural communities, by measuring rural/small town employment and labour force.</p>	<p>Vibrant rural communities are important to Manitoba, and the ability of Manitobans to find off-farm employment in rural areas or smaller towns is one of the determinants of</p>	<p>Statistics Canada Labour Force Survey – Rural Manitoba:</p> <ul style="list-style-type: none"> Labour Force (000) 2001 - 229.8 Unemployment Rate 2001 – 4.6% 	<p>Statistics Canada Labour Force Survey – Rural Manitoba:</p> <ul style="list-style-type: none"> Labour Force (000) 2007 – 246.7 Unemployment Rate 2007 – 3.8% 	<p><u>Steady/Increasing-</u></p> <p>Over the period of 2001-2007, the size of the rural labour force has increased. Unemployment in rural areas has been low throughout the entire period, and has dipped below 4 per cent in the past</p>	<p>Increasing economic growth and aging of the rural workforce has put pressure on labour availability in rural Manitoba. Although the total number of workers has risen over the past eight years, skilled labour availability (especially trades) remains a challenge. MAFRI's GO teams have been very active in working with communities and Manitoba</p>

What is being measured and how?	Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the most recent available value for this indicator?	What is the trend over time for this indicator?	Comments/recent actions/report links
	whether these communities can maintain their population base.			<p>few years.</p> <p>Statistics Canada Labour Force Survey – Rural Manitoba:</p> <ul style="list-style-type: none"> • Labour Force (000) 2001 - 229.8 2002 - 235.3 2003 - 240.8 2004 - 241.4 2005 - 246.6 2006 - 244.7 2007 - 246.7 • Unemployment Rate 2001 - 4.6% 2002 - 4.7% 2003 - 4.5% 2004 - 4.8% 2005 - 4.5% 2006 - 3.6% 2007 - 3.8% 	Labour and Immigration to support community immigration strategies to attract labour appropriate to the economic activities of a particular area of the province. Increases in apprenticeship programs and spaces for trades are helping to address the situation.
The uptake of farm food safety programming by the sector.	Consumers are demanding safe food. The ability of individual producers and entire sectors to compete in domestic and global markets is becoming more dependent on demonstrating that food safety practices are in	In 2007, 6.3 per cent of Manitoba operations have implemented on-farm food safety programs.	<p>A total of 6.5 per cent of Manitoba farm operations have on-farm food safety programs implemented. By sector:</p> <ul style="list-style-type: none"> • Eggs: 98% • Potatoes: 98% • Chicken: 90% • Pigs: 90% • Turkey: 17% • Dairy: 12% 	<p><u>Increasing-</u></p> <p>Participation in on-farm food safety programs will continue to increase.</p> <p>The horticulture sector is positioned to make significant progress in adopting on-farm food safety programs.</p>	MAFRI continues to work with the industry-led initiatives to increase the level of participation in food safety programs. Early adopters of on-farm food safety programs have often been driven by market requirements. A key tool in managing producer and industry risk is a tracking and tracing system to quickly identify the source of disease issues. MAFRI is examining options for this type of programming.

What is being measured and how?	Why is it important to measure this?	Where are we starting from (baseline measurement)?	What is the most recent available value for this indicator?	What is the trend over time for this indicator?	Comments/recent actions/report links
	place and are being followed.		<ul style="list-style-type: none"> • Broilers: 92% • Broiler Breeders: 8% 		

APPENDIX J

The Public Interest Disclosure (Whistleblower Protection) Act

The Public Interest Disclosure (Whistleblower Protection) Act came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The Act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or, knowingly directing or counseling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under the Act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the Act, and must be reported in a department's annual report in accordance with Section 18 of the Act.

The following is a summary of disclosures received by Manitoba Agriculture, Food and Rural Initiatives and the Food Development Centre for fiscal year 2007 – 2008:

Information Required Annually (per Section 18 of The Act)	Fiscal Year 2007 – 2008
The number of disclosures received, and the number acted on and not acted on. <i>Subsection 18(2)(a)</i>	NIL
The number of investigations commenced as a result of a disclosure. <i>Subsection 18(2)(b)</i>	NIL
In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken. <i>Subsection 18(2)(c)</i>	NIL

APPENDIX K

Sustainable Development Integration

Under *The Sustainable Development Act*, each department is required to integrate into its annual reporting process information about progress in incorporating sustainable development into its activities.

A sustainable agricultural environment preserves and enhances natural resources while providing maximum economic benefit within such a system of agriculture.

The Principles and Guidelines of Sustainable Development as set out in the Act are:

Principles:

1. Integration of Environmental and Economic Decisions
2. Stewardship
3. Shared Responsibility and Understanding
4. Prevention
5. Conservation and Enhancement
6. Rehabilitation and Reclamation
7. Global Responsibility

Guidelines:

8. Efficient Uses of Resources
9. Public Participation
10. Access to Information
11. Integrated Decision Making and Planning
12. Waste Minimization and Substitution
13. Research and Innovation

Manitoba Agriculture, Food and Rural Initiatives (MAFRI) has a broad mandate to serve the agri-food industry and rural and northern communities. Within that mandate, the department has articulated five strategic priorities that focus the department's efforts. These are: Farm Profitability; Value-Added; Rural Economic Development; Environmental Sustainability; and Health and Wellness. These strategic priorities directly align with the Principles and Guidelines of Sustainable Development.

The following examples illustrate those actions that have been taken by MAFRI that directly fit under the Principles and Guidelines of Sustainable Development.

Appr	MAFRI's 2007/08 Activities and/or Results	Principle/ Guideline
3(a)	To enhance environmentally sound, sustainable growth, development, diversification and productive capabilities of livestock producers and processors in all areas of Manitoba, including northern and Aboriginal communities, by providing technical, business and specialized services along the agri-food continuum.	#1, 2 & 3
3(a)	Responsible and environmentally sustainable expansion of the livestock industry in Manitoba through participation in the Livestock Operations Technical Review process.	#1 & 2
3(a)	The Business Development Specialist (BDS) Aquaculture is working with all industry players in order to provide potential producers, financial institutions and other government departments and agencies with assurance that the industry is financially viable in Manitoba, that it will meet environmental regulations and also to provide a training venue for potential producers. LKC staff are working with other government agencies and funding organizations to establish a model land-based fish farm in Manitoba. The model would showcase the production management, record production and	#1, 9 & 13

	capital costs for budgeting and monitoring for environmental management.	
4(a)	To increase farm profitability in Manitoba by identifying production cost reduction strategies and by enhancing or diversifying income streams.	#1
1(c)	Organic transition policy development, including building of partnerships with Manitoba Science, Technology, Energy and Mines (STEM) and organic certification bodies.	#2
3(d)	Staff continue to lead policy development in the area of ecological goods and services and its potential to deliver environmental services.	#2, 5 & 11
3(a)	A great deal of time and effort has been invested in developing appropriate recommendations on how to better manage dry poultry manure storage structures. This work is ongoing and includes the monitoring of poultry farms and working closely with individual producers.	#2, 3 & 13
3(a)	Participated in project with Manitoba Conservation and industry partners investigating manure centrifuge technology.	#2, 3 & 13
3(a)	Development of an environmentally sustainable method of composting end-of-lay hens outdoors under Manitoba conditions. This has been accomplished, extension materials developed, regional producer meetings have been held and it is now in the hands of the producers.	#2, 1, 10
3(e)	Through consistent interaction with provincial departments, municipalities, planning districts and agri-industry, the Land Use Planning Knowledge Centre provides leadership and expertise in support of sustainable agricultural practices based on the principle of multiple resource use in the Province of Manitoba. Special consideration to management of Crown land to continually ensure one resource does not compromise another by applying the principles of multi-resource use and development. The Land Use Planning Knowledge Centre facilitates economic development opportunities in rural Manitoba within the context of environmental sustainability.	#2, 9 & 5
3(e)	Staff has worked with Manitoba Conservation to assess the use of Quebec software in determining nutrient excretion levels for all types of livestock. The software has been instrumental in determining the appropriate land base for new or expanding livestock operations based on the crop utilization of nutrients generated by the livestock operation.	#2 & 13
3(e)	To support sustainable land use planning and the management of Manitoba's agricultural land base consistent with provincial legislation, regulation and policies including <i>The Planning Act</i> , Provincial Land Use Policies, Farm Practice Guidelines, Livestock Manure and Mortalities Management Regulations and <i>The Crown Land Act</i> .	#2, 4 & 11
4(e)	REDI contributed \$337.0 to Culture, Heritage, Tourism and Sport for the Community Places Program which provides non-profit community organizations with funding and planning assistance for facility construction, upgrading, expansion or acquisition projects which have sustainable recreation and wellness benefits to communities.	#2 & 9
4(g)	REDI contributed \$1,743.0 to the Green Team program which is administered by Education, Citizenship and Youth and provided summer employment opportunities to rural youth 16 to 24 years of age.	#2 & 9
4(g)	The Hometown Manitoba program approved 267 applications representing \$482.4 in financial support. Program funding leveraged an additional \$2,897.9, resulting in a capital investment in rural and northern communities to enhance main street areas, public places and building exteriors of over \$3.3 million.	#2 & 9
3(d) & 4(a)	MAFRI GO teams, supported by Agri-Environment Knowledge Centre staff, delivered 155 individual environmental farm plan (EFP) workshops. 1,276 environmental farm plans were completed resulting in a total of 6,828 producers participating in the individual EFP workshops and 900 producers in the group-based farm plans since the program inception in 2005/06. A total of 5,408 EFP workbooks have been reviewed and statements of completion issued (86 per cent of producers who attended workshops have	#2, 3, 4, 5 & 11

	participated in the review process). Since 2005/06, over 8.6 million acres have been assessed by producers participating in the EFP process. Manitoba's farmland base is comprised of 18.7 million acres. Staff organized and delivered 155 Environmental Farm Plan workshops to over 2,346 farm participants in 2007/08.	
4(a)	GO Team staff provided advice to 13 holistic management clubs that are comprised of 260 farmers.	#2 & 11
4(a)	Soil Fertility Workshops – six workshops were delivered to 121 farmers and agri-business agronomists.	#2
1(c)	Leadership of departmental employment diversity management workshop (Aboriginal recruitment focus) undertaken, leading to a written departmental strategy.	#3
3(a)	Development of a bison market station which will increase economic returns to First Nations bison herds, expand the seed stock herds for First Nations and expand meat markets into the north, as well as Europe. The bison marketing station is in operation and approximately 275 bison are on site from the First Nations bands that are participating in the program.	#3
1(h)	A special workshop was held for managers, directors and executive at the Long Plains First Nation conference centre in Portage la Prairie to address the improvement of Aboriginal diversity within the department. A report was generated based on the feedback and results of the workshop, and these were incorporated into the department's draft employment equity/diversity strategy.	#3
4(b)	The Young Rural Aboriginal Entrepreneur Initiative was also developed and was launched at the Indian Agriculture Council of Manitoba meeting in February 2008 to encourage and develop an entrepreneurship culture and business activities.	#3
3(b)	Participated in a successful avian influenza field exercise through involvement in the Foreign Animal Disease Emergency Support (FADES) agreement and participation in the Joint Federal/Provincial Avian Influenza Steering Committee.	#4, 3, 11
3(b)	Participation in the development of a National Policy on Traceability for Canada's agri-food sector which will allow the tracking of the movement of farm inputs, animals, plant food ingredients and food products from one point in the food chain to another.	#4, 3, 11, 7, 2
3(b)	An enhanced animal disease detection and surveillance system is currently under development. This system links with the Veterinary Laboratory Services' diagnostic database and will analyze animal disease trends across space and time in Manitoba. This system will not only provide surveillance of laboratory results as diseases are diagnosed, but will use syndromic surveillance to provide early warning of possible emerging disease threats.	#4, 3, 2, 11, 7, 13
1(c)	Worked with industry to plan for avian influenza outbreak including exercising portions of the plan.	#4, 3, 11
1(c)	Development of departmental policy and program strategies to pursue new opportunities in biological cropping and energy systems, farm profitability, climate change and healthy food opportunities for consumers. Significant exposure of the topic of natural cropping in MAFRI, the academic community in Manitoba and beyond.	#5 & 13
4(a)	Crown Lands staff administered 2,635 leases and 1,589,940 acres of agricultural Crown land for utilization by farmers and ranchers.	#5
4(c)	Developed two value-added bakery food products using ethanol co-products.	#13
4(g)	REDI contributed \$425.0 to the Conservation Districts Program administered by Manitoba Water Stewardship which provided for the conservation, control and prudent use of natural resources through the establishment of Conservation Districts.	#5, 6 & 9
3(f)	Staff worked with clients on 25 proposals for ethanol and biodiesel plants. The Agri-Energy Office supported activities of the Manitoba Biodiesel Board.	#5 & 13

	Developed and participated in 25 meetings outlining opportunities in renewable energy for producers and communities. Projects were developed with individual entrepreneurs in the area of biomass energy and bio-products. The Agri-Energy Office has, in cooperation with STEM, developed and delivered programs and information on biodiesel, wind power, ethanol, biomass and methane from anaerobic digestion.	
4(a)	Community investigation and development of five agri-energy development projects. Staff worked with the St. Laurent Community Development Corporation to deliver an Alternative Energy Conference with over 120 people in attendance. Staff worked closely with 13 producer and business groups to develop bio-energy projects, including ethanol, biodiesel, biomass and wind energy. Fuel for Thought Symposium – staff organized a two-day symposium that consisted of a one day seminar (100) and a second day bus tour (50).	# 5, 9 & 10
4(a)	Staff are working with local groups to investigate water allocation as well as supply and demand from the Boyne River watershed to support irrigation, potable water and water needs for rural economic development in the Red River Valley.	#5 & 8
1(c)	Planning exercise on climate change mitigation and adaptation that fostered interdepartmental participation and networks.	#6 & 2
3(a)	Organized the Tri-provincial Manure Management Conference "Adapting and Innovating for Sustainability" held in Winnipeg from June 25-27, 2007. One hundred and sixty-five participants heard expert speakers and attended tours and workshops on leading-edge sustainable production livestock practices.	# 2, 10 & 13
3(a)	Participated in the "Best Management Practices for Manure Management on Forage Land" research project. This is a co-operative effort between MAFRI and the departments of Animal Science and Soil Science at the University of Manitoba.	#2 & 13
4(d)	Supported incoming missions in cooperation with CTT, FDC and AAFC including: Chinese PES (Payments for Ecological Services) policy experts regarding Ecological Goods and Services topics. Xinhua China News Agency researching agriculture to feature in a story along with "Green Energy", culture, tourism and history of Winnipeg. Austrian biofuel exploratory mission.	#7
1(d)	Participated in the federal/provincial/territorial working sub-group on sustainability issues of biofuels.	#3
3(f)	Expand knowledge, particularly among rural Manitobans, in support for increased value-added processing, farm diversification, sustainability, food, fibre and energy production.	#1, 9 & 13
1(c)	Presentations to MAFRI units and outside bodies on energy availability and changing economics.	#10
3(f)	Collection, interpretation and dissemination of agronomic, engineering, economic and environmental information in support of policy development, community projects and increasing technical competency of Manitoba's bio-energy.	#10
1(e)	In 2007/08 the MAFRI Internet home page was the most visited provincial government website with close to 7 million page views annually. The departmental website exceeded over 8,900 files of information. Throughout the year visitors to the home page included domestic, national and international inquiries, with most of the foreign users being from the US.	#10
3(d)	Staff continued to provide technical support for a phosphorus-based approach to nutrient management planning. Technical support was also provided to the Clean Environment Commission as part of the Hog Production Industry Review Hearings. Staff provided assistance on manure management programs, and helped design and deliver nutrient management extension workshops that will be expanded throughout the province with	#10, 9, 13 & 2

	support from MAFRI Go Team staff.	
4(a)	Organized and delivered nutrient management regulation information sessions to explain to producers the rationale and impact of recent legislation. Extension sessions were conducted in 17 communities informing 345 producers.	#10
3(d)	Staff participated in and initiated numerous successful workshops with producers to assist in increasing nutrient management planning.	#10
3(d)	Staff prepared technical information for other departments as they developed regulations under <i>The Water Protection Act</i> as well as the amendment to the livestock manure and mortalities regulation.	#10 & 3
3(f)	Collection, interpretation and dissemination of agronomic, engineering, economic and environmental information in support of policy development, community projects, and increasing technical competency of Manitoba's bio-energy sector.	#10 & 11
3(e)	Joined in forming the "Sustainability Planning Horizontal Team" to more appropriately co-ordinate MAFRI's approach to planning for sustainable agricultural and rural development and to improve communications regarding the role of the Land Use Planning Knowledge Centre in rural development.	#11
3(d)	The Agri-Environment Knowledge Centre liaises with other provincial departments which allows the ability to follow programming and activities within other departments of the provincial government, and provide relevant agri-environment information for the development of policy.	#11
1(g)	Staff participated on the Green Building Policy Interdepartmental Working Group as the department's representative.	#12
3(f)	Manitoba contributed to ARDI – facilitated many diverse projects in bio-energy, biofibres, and biotechnology (\$131.1) and sustainability of the resource base and the environment (\$482.0). The major performance indicators of ARDI III (a) surrounded Manitoba-funded ARDI projects, six of which met the criteria of sustainable development during the 2007/08 fiscal year for a combined research expenditure of \$482.0. The research subjects included examining the effect of grazing management on soil carbon sequestration, sustainable nutrient management for pig and cattle manure, economic and environmental efficiencies of beef production systems and native pasture improvement. Manitoba secured federal funding totalling \$9.3 million and delivered through the Agricultural Policy Framework to support research partnerships with small enterprises and producer organizations. Projects included Industrial Hemp Fibre Evaluation and Capacity Development, Biodiesel Commercialization, Functional Food Product and Commercialization Advancement, Perennialized Grain Production Systems, Manitoba Fruit Industry Development, Greenhouse Energy Conservation and Ethanol Production Systems.	#13
4(a)	Twenty-four Covering New Ground projects demonstrated to producers sustainable management techniques such as dead stock composting, manure management, grazing and assessing soil nutrients and fertilization.	#2 & 10
4(g)	REDI provided \$100.0 to the Rural Development Institute at Brandon University to develop community economic development approaches, fund research on issues relevant to rural areas, and increase research capacity in the institution.	#13
3(j)	The Agricultural Sustainability program areas in 2007/08 included Sustainable Forage/Livestock Management, Sustainable Crop Management, and Integrated Pest Management. Sixty-three proponents conducted 78 demonstration and applied research projects, while MAFRI staff conducted 14 projects totalling approximately \$1,105.0 in approved funding. Thirty-two sustainable forage and livestock management projects were conducted by 18 proponents and five MAFRI staff, totalling \$172.4. The projects addressed issues relating to forage and livestock management, livestock manure and mortalities, extending the grazing season and conducting feeder	#10, 13 & 2

	and grazing schools. Sustainable Crop Management involves the demonstration of variable rate fertilizer management and the effectiveness of ESN-controlled release of urea in winter wheat and Timothy hay. MAFRI staff reprinted the <i>Soil Management Guide</i> to include "Greenhouse Gases in Agriculture". The contribution in this area was \$82.8. The monitoring, inventory and control of invasive plants under Integrated Pest Management totalled \$89.0. Three diversification centres in Melita, Roblin and Arborg conducted 65 different trials dealing with crop diversification opportunities including agri-energy. Funding for the centres was approximately \$225.0.	
3(c)	To provide producers, agri-business, GO team staff, other departments and governments with technical information and specialized services that enhance diversification, productivity, environmental sustainability and profitability in Manitoba's agri-food sector.	#1 & 2
3(c)	To provide co-ordinated program development in crop production and pest management.	#1, 2 & 4
3(c)	To facilitate and support the development of value-added agri-food processing in Manitoba.	#1 & 2
3(c)	To develop and deliver programming in support of innovation in the agri-food sector.	#1 & 13
3(k)	To provide technical and specialized services to producers, irrigation associations and commodity groups to support irrigated crop production and to support technology transfer and monitoring programs to support environmentally sustainable irrigation practices.	#1 & 2
3(d)	7,470 projects were approved for a total value of \$32.8 million in investments for on-farm practices under the Canada-Manitoba Farm Stewardship Program (CMFSP). The top five categories included: improved cropping systems; product and waste management; wintering site management; improved manure storage and handling; and nutrient management planning.	#5 & 2

